Saturday Night

Canada's Magazine of Business and Contemporary Affairs

AUGUST 17TH, 1957 20 CENTS

Why Canadians Voted Conservative: Pollsters Postmortem

BY H. D. JOHNS

Will Tories Restore Parliament's Power?

BY NORMAN WARD

New Retirement Plans Provide Tax Relief

BY WILLIAM SCLATER

How Equities Preserve Your Dollar's Value

BY R. M. BAIDEN

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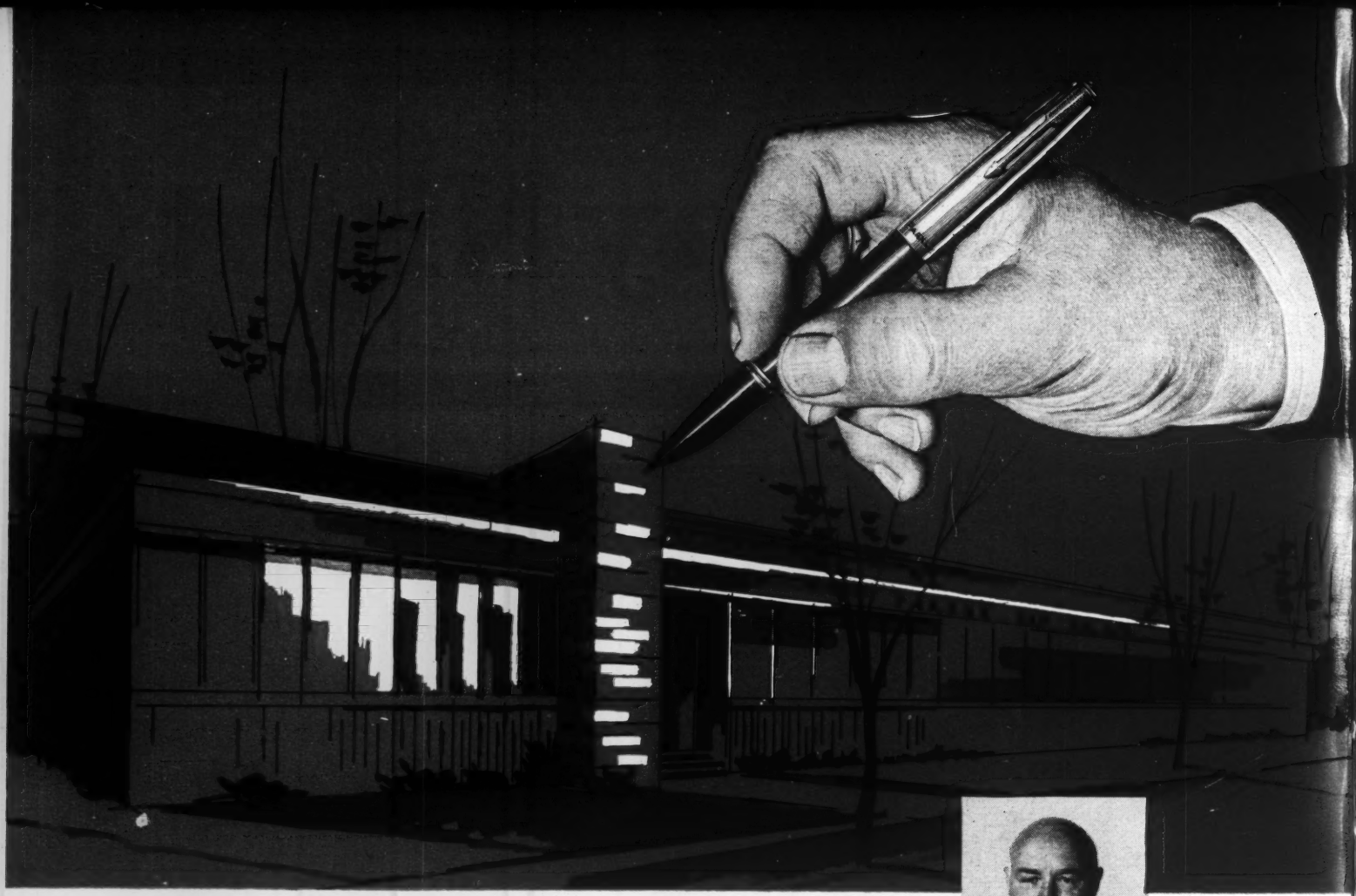
A Soprano's Dilemma: Claire Gagnier: Page 14



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Saturday Night

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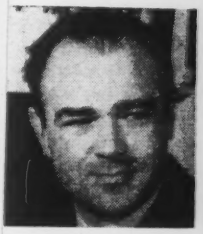
Norman Ward



Professor (University of Saskatchewan), free-lance writer and author of a book on the House of Commons, Norman Ward presents a strong argument on why we need to clear away the dead wood in Canada's Parliamentary Committees, on page 8.

Ron Kenyon

A free-lance journalist specializing in articles on science and medicine, Ron Kenyon reports on a special kind of club in steamy downtown Toronto where flabby business men firm up their muscles and rejuvenate their spirits in the best Scandinavian tradition with *sauna* baths, page 10.

Brian Cahill

Reporter for the Montreal *Gazette*, Brian Cahill writes about the talents and traits of Claire Gagnier, a young soprano "Who is wasting her time . . . on Canadian TV", on page 14.

H. D. Johns

The public fooled the pundits in the June election. Now H. D. Johns, Executive Director of Canadian Marketing Analysis Ltd. hazards a pollster's post-mortem, and attempts to explain just why Canadians voted as they did, on page 7.

Letters

Ottawa Scene

I never thought your Ottawa correspondent had much love for the late unlamented Grit government. But what is he up to now? It is somewhat shocking (Economic Problems Ahead, SN, Aug. 3) to see the beginnings of an attempt to pin a depression label on the new Cabinet. Next thing, somebody will begin telling us that the Grits didn't want to win the last election after all. Twisted hindsight is as bad as wrong foresight.

REGINA M. L. LOVERSEDGE

Why not give the new boys a chance? I admit that their administrative records are not impressive but who can tell when genius will develop? Able parliamentarians have a good start on the way to being able Ministers — at least they know some of the things not to do. And thank heaven (and the late Liberal Government) that Canada has some of the ablest senior civil servants in the whole world.

STRATFORD, ONT. RAYMOND WILLOUGHBY

Naval Occasions

Mr. Sclater's complaints about our so-called "sub-chasing" navy are entirely unwarranted. He suggests that if we could count on our NATO allies presenting "a common front to danger" then "we could integrate our navies and save the U.S. and U.K. and Canadian taxpayers a great deal of money."

If we can't count on our NATO allies we might as well pack it up right now because Canada certainly can't stand off Asiatic communism by herself. In fact we have no alternative to throwing in our lot with NATO and, if that is the case, I say let's integrate our fleets, save the taxpayer a buck and forget chauvinistic ambitions for a Canadian super-navy.

HALIFAX R. L. PRESTON

Hearty congratulations on the fine article on Seapower in your Aug. 3rd issue. These are the things the people of Canada need to be told. We are very dependent upon adequate seapower and now that Britain can no longer afford so much we must fill the gap ourselves.

As a former merchant seaman with the navy during the war I know something of our ships and, if you will permit me, I would like to point out a minor error in your chart. The two cruisers, Ontario and Quebec are "medium" cruisers, not "light cruisers". They have six-inch gun turrets as the writer says. The chart indicates no minesweeper reserve ships but it is incorrect. The Bangor Class minesweepers, which can also be used as coastal escorts, must be included under coastal escorts so these will be minesweeper reserve also.

THORNHILL, ONT. WILEY REAMAN

The Smaller Frogs?

I was sorry to see that Premier Stanfield of Nova Scotia has no interest in the field of Federal Government. Time was when there was quite a difference between a Federal Cabinet Minister and a Premier of a smaller province. Too bad these able men cannot be persuaded to be smaller frogs for the sake of the bigger puddle.

FREDERICTON AMOS MCCLURE

Unpinned Ears

My compliments to the originator of the new advertisements in the graphic series "Chuck Slade was scheduled to die last Sunday". One way to cure the motor car offenders may be to scare them into proper behavior. But I still think the very best way is to pin their ears back. Chuck Slade serving a good stiff prison sentence would be a greater deterrent to his friends and neighbors than a stiff Chuck Slade.

OTTAWA ABEL WILKES

On Mr. Speaker

I am glad to see you devoting considerable space to the matter of the Speakership of the House of Commons in your last issue. I don't agree with all your views but I think that this selection will be one of the most important which Mr. Diefenbaker has to make. At any rate, he has been given plenty of advice. And restoring the rightful place of Parliament would be a noble Conservative achievement.

PENTICTON, BC SAUL BARLOW

Editor's note: For some further advice, see Page 8.

Getting the Drop

Will the Army never learn? We all read recently of the exercises at the new Camp Gagetown in which the Van Doos were dropped from an Air Force transport one mile from the intended dropping zone. The answer is one which had to be learned the hard way during the war; train Army pilots. This was necessary for artillery spotting since the Air Force types seemed incapable of reading maps or even knowing approximately where they were with relation to the ground. If troops are not in the future to be spattered on concrete or spiked on trees, let a trained Army pilot fly them to where they are supposed to be.

SHILOH, MAN. GUNNAR GUNNARSSON

Already Too Late

I was most impressed with N. J. Berrill's objective—and, at the same time, alarming—article on atomic radiation. Surely, in spite of conflicting scientific opinions about how much radiation we can absorb and survive, the immensity of this danger must now be apparent to anyone who can read? How long will it take to translate public indignation into political action? It may be already too late.

TORONTO P. S. BOWMAN

Speculation vs. Results

Mr. Armour's article takes some pretty hefty whacks at the speculative aspect of Canadian mining development, particularly as it is working out in the Ungava concessions.

I wonder, however, if he appreciates just how big a part speculation has played in developing Canada's mining industry. I think a fair case could be made for the proposition that such giants as International Nickel, Consolidated Smelters and Noranda could not have been brought into existence without promotion by speculators.

Articles such as Mr. Armour's certainly serve a purpose in alerting the public to some of the risks in speculative development, but I certainly think he should also have brought out some of the achievements.

ROUYN, QUE. L. B. TOTHAM

Senate Leadership

In your issue of July 20, you ran an article by your Ottawa Correspondent, stating reasons why Senator Haig should not be appointed Government Leader in the Senate.

I was deeply touched by your concern for Prime Minister Diefenbaker and the Progressive Conservative Party, the more so since it bore all the signs of a sudden rush of solicitude to the brain. Certainly neither during the recent election nor during the previous years has SATURDAY NIGHT shown any undue interest in that Party.

You discover with horror which does you credit that Senator Haig announced in Winnipeg that he would be Government Leader in the Senate. This does not

quite tally with the facts. At his Club at luncheon one of his fellow lunchers asked him for the score. Senator Haig replied that, since Confederation, on those occasions when the Government had changed, the Leader of the Senate Opposition before the election had become Government Leader of the Senate—and he had been leader of the Opposition.

As for Senator Haig's "disabilities" they have not so far prevented his close attendance at the Senate sessions nor his effective participation in its debates. Moreover they have not prevented his attendance at his legal firm in Winnipeg. Ask Portage Avenue which sets its clocks by his 9 a.m. appearance. He seems to do quite well at his office too—at least the bank managers give him hearty welcome. His interest in his Church does not seem to have slackened nor has his interest in sport, especially in his beloved curling in which brotherhood he holds high office. Neither have these "disabilities" affected his place in the first fight of Manitoba's citizens, placed there by the good will and respect of political friend and foe alike.

Could it be that SATURDAY NIGHT has coyly omitted the real reason why it thinks that Senator Haig should not be appointed Government Leader in the Senate? Could the fact that Senator Haig is a resident of Western Canada have anything to do with the case? As a westerner he could, of course, be allowed to bear the burden of the lean years, but from its newly achieved position on the band wagon, does SATURDAY NIGHT now realize that the leadership should go elsewhere? Especially to someone from Toronto?

WINNIPEG H. SPENCER

Editor's Note: SATURDAY NIGHT *rides no band-wagons, eastern or western, nor tired, old "hate-Toronto" hobby horses.*

Immigrants

Reference the bad-tempered letter from an immigrant in a recent issue. With all charity, may I make one observation. The act of emigration (as against visiting) implies a decision to become not only a resident, but a citizen, of the new country. This means acceptance of the speech, manners and general cultural outlook of the majority of the population; the "old country" should be forgotten as conveniently soon as possible. There may be some excuse for ethnic group membership in the early stages of assimilation but no attempt should be made to maintain it in perpetuity. This talk of enriching Canada through alien cultures is balderdash. An immigrant should have but one aim —to become, and to have his children become — Canadian as soon as possible. That is the proper way to gain acceptance.

GUELPH, ONT. RONALD WILLIAMSON

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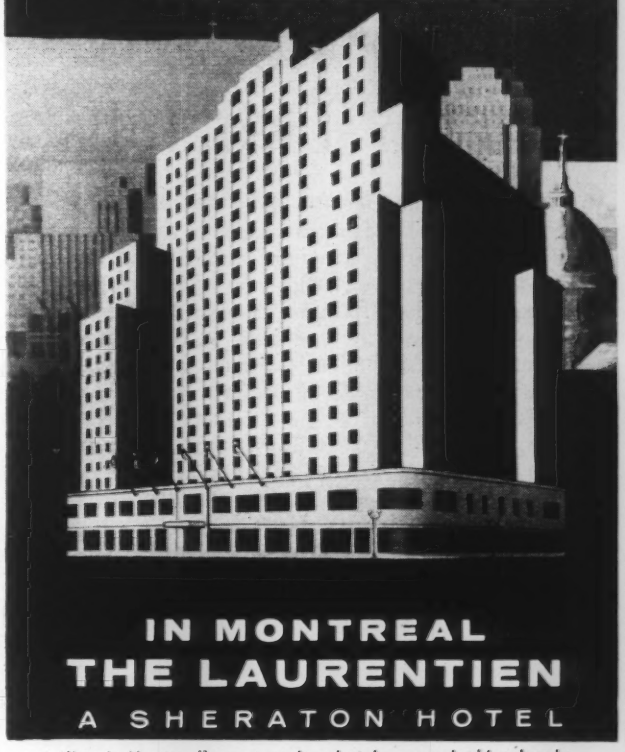

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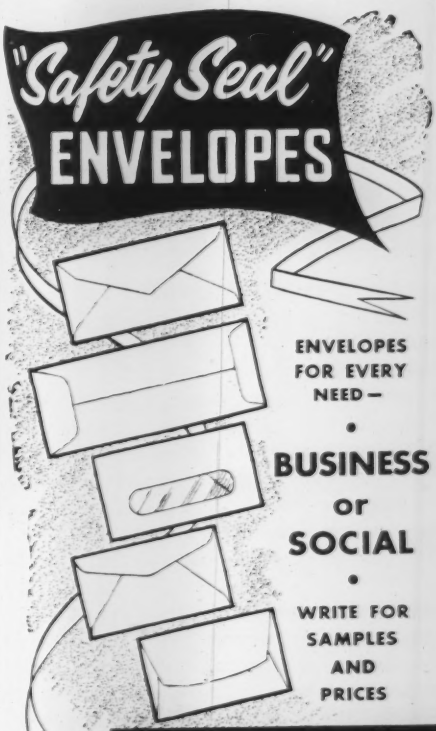

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Ottawa Letter

by John A. Stevenson

Can the PM Do Two Jobs?

JOHN FOSTER DULLES, the American Secretary of State, has always been a firm believer in the value of personal contacts for the promotion of his policies. He evidently thinks that the confidence inspired by his personality and his powers of persuasion are more potent instruments for achieving diplomatic triumphs than long, reasoned arguments in written despatches.

His peregrinations since he took office, have taken him to almost every corner of the world and their frequency has been the subject of severe criticism in his own country. Moreover, by all accounts his contacts with British and French ministers have given some of them at least a mild distaste for his company and his diplomatic methods, particularly his fondness for lecturing other nations upon their delinquencies.

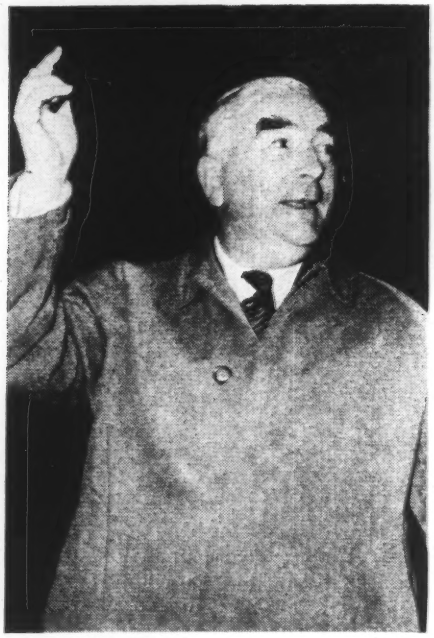
His mission to Ottawa was avowedly designed to allow him to make the personal acquaintance of Mr. Diefenbaker and his colleagues and undertake a cursory exploration of their views as a preliminary to a conference at Cabinet level about the relations of Canada and the United States and international problems in which they have a common interest. It was our ministers' first experience of Mr. Dulles and his ways but there is no hint that their discussions with him were not friendly and harmonious.

Prime Minister Diefenbaker has given no sign of an intention to divest himself of responsibility for the Department of Foreign Affairs and his retention of it is dangerous for the country and himself. Today foreign policy is by far the most important item in the sphere of our statecraft, because it is concerned with the issues of war and peace and therefore with the fate of human lives. Now that Canada has taken an active part in international diplomacy the efficient guidance of our foreign policy demands the undivided attention of a separate Minister of first rate ability such as we had in Mr. Pearson. But obviously a Prime Minister who has to supervise a score of ministers, lead his party in the House of Commons, keep an eye on its organization and educate the public about the merits of his policies by intermittent public speeches cannot give our foreign policy more than half of his time.

Earlier Prime Ministers could manage the Department of External Affairs with reasonable efficiency as long as the scope of its activities was small and the British Foreign Office was looking after Canadian interests in most foreign countries. But we are now playing all our own cards in the international game. Since the beginning of the 19th century only three British Prime Ministers — George Canning, the Marquess of Salisbury and Ramsay Macdonald — tried to be their own Foreign Ministers. The first two were expert specialists in foreign affairs and their successes in this field were achieved at the expense of a neglect of domestic problems, which after their demise resulted in a long spell in opposition for their Party. As for Ramsay Macdonald, his attempt to carry the double burden was a calamitous failure and wrecked his first Ministry. As his party's spokesman about foreign affairs in Parliament, our Prime Minister acquired a genuine interest in international problems, but he need not shed it, if he entrusted the task of administering an onerous Department to a separate Minister and abandoned the idea that he can single-handed replace both Mr. St. Laurent and Mr. Pearson.

The Government has been impelled, by the evidence of a distinct pause in our boom and official forecasts that there will be at least half a million unemployed in Canada during the coming winter, to check the mounting inflow of immigrants by fairly severe restrictions. It has thereby earned the displeasure of its ardent supporter, the Toronto *Globe and Mail*. Roseate tales about our prosperity raised the number of immigrants admitted in the first half of 1957 to the impressive figure of 175,000 and the total admissions for the full year are expected to be at least 250,000, which would be by far the highest figure since 1913. But it is not surprising that immigration on this scale is arousing some disquietude in Quebec because only a small quota of the immigrants reinforce the French racial stock in Canada. If the inflow were maintained at this year's rate for another ten years, an inevitable consequence would be a decline of the power of French-Canada to influence national policies.

U.S.' Dulles: Exploring.



Australia's Menzies: Dubious.

Quebec no longer has a marked lead over the other provinces in her birth rate and most of the immigrants have been settling in Ontario, Alberta and British Columbia. The census of 1961 will probably reveal that our total population has risen to 17¼ millions and when a redistribution bill based upon that census is enacted, Quebec's quota of seats will remain at 75 and there will be a marked enlargement of the quotas of Ontario, Alberta and British Columbia. In a House of Commons whose membership may be raised from 265 to 280, the French-Canadian vote which will still control only about 80 seats, will be diminished in influence. Accordingly the Government's decision to curtail immigration will be popular in Quebec and it will also please labor organizations which have been pressing for such a move through fear of unemployment.

Mr. Diefenbaker must have been dismayed that his proposal for a conference

on Commonwealth trade relations evoked only a lukewarm response from Australia and New Zealand and he could only describe the British reception of it as "not unfavorable". The cold truth is that both Australia and New Zealand are dubious about the value of the Ottawa agreements of 1939, which expanded the system of so-called imperial preferences and placed them on a firm basis. They admit that Britain is still the largest market for their farm exports but they realize that it is no longer a rapidly expanding market. Their population has been growing about the same rate as our own, but it has not kept pace with the increase in their agricultural production and they are faced with the need of finding expanding markets for their large surpluses of farm products. So both of their governments are now making moves to secure wider markets in European countries and Japan by offering tariff concessions at the expense of cutting down the preferences now available for British manufactured goods.

In 1956 Australia had a very large adverse trade balance with Canada, because the value of her imports from us (49 million dollars) was more than double the value of her exports to us (22 million dollars) and Mr. Diefenbaker could point out that in 1956 the value of Australia's imports from the United States was 200 million dollars and that a re-adjustment of trade preferences could divert a substantial part of this business to Canada. But Australia, knowing that a financially enfeebled Britain with her seapower diminished could no longer be as of old, a guarantor of Australian security in the event of war, has in company with New Zealand concluded with the United States a special pact for mutual defense in the Pacific and Australia's armed forces are now being equipped with aircraft and weapons of the American types. Furthermore Australia is anxious to attract American capital for the expansion of her economy.

Under these circumstances the Australian Government will be loath to antagonize the United States by any serious curtailment of its export trade and New Zealand is in a similar position. And the skepticism of New Zealand about the possibility of increasing her exports to Canada must have been stimulated by the decision of the St. Laurent Ministry during the late election campaign to impose quota restrictions upon imports of cheese.

The present Tory Government of Britain, which must carry most of the rural constituencies to survive, is firmly committed to a policy of protection for domestic agriculture and also to a policy of high investment at home for the improvement of the country's industrial equipment. It also feels that in view of the protectionist policies of the Dominions, there is a better chance of the enlargement of Britain's exports, which she badly needs, through a partial association with the new economic union, through which a group of European countries plan to create a wide, free market.

Accordingly it will be decidedly cool to Mr. Diefenbaker's idea that it should stake everything upon enlarging British trade with the other partners of the Commonwealth and supplying them with capital for the development of dormant natural resources. The stubborn facts are that Britain has precious little capital to spare for overseas investment and that by far the greater part of the investment in which at least the sterling section of the Commonwealth is interested is not being directed to the expansion of its exporting industries, but, rather to the object of saving imports, of which a large proportion come from Britain.

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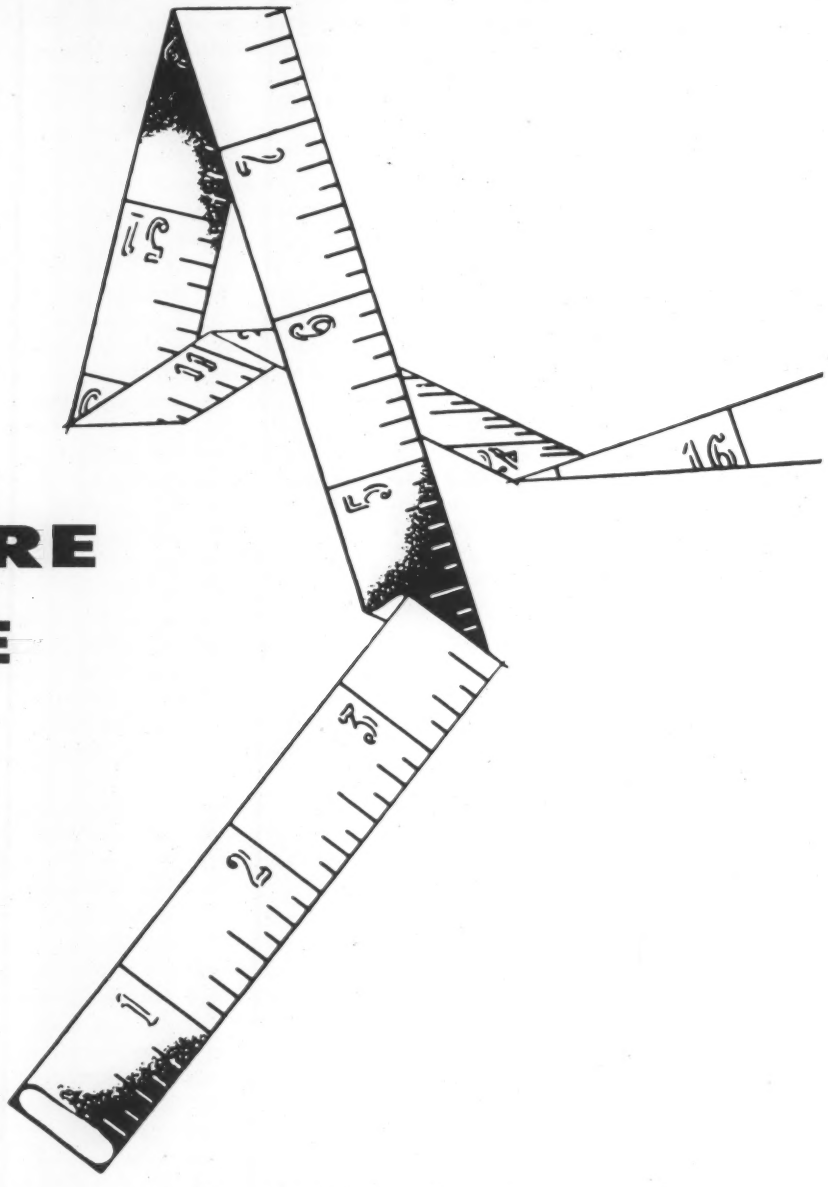

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Saturday Night

Why Canadians Voted Conservative

by H. D. Johns

NEARLY TWO MONTHS ago, on these pages, we tried to forecast the June 10 Federal Election. Along with many others we were wrong. No number of excuses can rectify the mistake. In an attempt to predict the result in seats we used all the acknowledged techniques and our arithmetic was correct. The only slight consolation we might gather unto ourselves, is the fact that others were equally wrong.

In what should have been a more simple field of projection—the popular vote—every single public prediction was incorrect.

Since the election we have been collecting a vast amount of data on the reasons for change—an answer to the question "Why did the Canadian public indicate in such a definite way they wanted a change of government?"

There are three main sources for the material we have collected. These are: editorial comment; a number of personal interviews with current and past members of the House of Commons; and a large-sample research of the People. We, naturally, have more confidence in our study of people than of the other two sources.

The most frequently mentioned reason for the turnover is "Time for a change". This is neither surprising nor is it of major significance. It really is a rationalization — after the event. There is no doubt that a large number of people voted Conservative for this reason, but at

CONTINUED ON PAGE 38

POLLSTER'S POSTMORTEM

Which of the following issues contributed mostly to the Liberal defeat?

Suez	7.8%
Pipe Line Debate	25.7
Old Age Pensions	29.9
Time For A Change	36.6
	100%

Those who mentioned "Time for a change" as the issue which contributed most to the Liberal defeat qualified their response by referring to more specific issues in the following proportion: ("Time for a change": 100%)

"Arrogance" of Liberal leaders ("Dictatorial attitude"; C. D. Howe; "need more opposition"; "government by cabinet"; "Who's to stop us?")	39.0%
More Equitable Cabinet representation ("More Protestant" cabinet; a Protestant leader; less French-Quebec representation)	31.4%
Neglect of Farmers	17.6%
Voted for local man	12.0%
	100%

Mr. Diefenbaker now has a chance to make good on his campaign promises to revitalize the parliamentary system.

Will the Tories Re

by Norman Ward

THE PROMINENCE Mr. Diefenbaker gave during the election campaign to the restoring to Parliament of former powers, following so closely on the pipeline debate of 1956, has tended to identify parliamentary sovereignty with the Speakership. Many Canadians (and especially Conservatives) seem to believe that all we need to do is repair or remodel the Speaker and our troubles will be over. This is far from the truth, for the ablest Speaker in the world could do nothing about some of the problems of the House of Commons.

The Speakership will be an important element in any major alterations around the Commons. A Speaker with common sense, dignity, and probity could make an incalculable contribution to the building of Parliament's prestige and authority, providing he was permitted to serve for long enough to make his mark. Since he himself is going to have to build the foundations of a new concept of the Speakership for Canada, such a man is not going to be easy to find, and the time in which he has to be found is short. Since he must be chosen by the House from among its own members he will have to be one of those who were either elected on June 10, or who can win a seat in a by-election before Parliament meets.

After all the Conservative statements about the Speakership in 1956 and 1957, he can hardly be a person acceptable to only the Conservatives. And if he is to enjoy a permanent career in the chair until his death or retirement, he will almost certainly have to be bilingual. Disposing of Canada's wheat surplus may be a simple task compared with finding such a Speaker, particularly when one remembers that if the choice falls on a Conservative M.P., Mr. Diefenbaker's slender plurality in the Commons will drop by one more.

The new Speaker must be the choice of the House of Commons, not an appointee of Mr. Diefenbaker or the cabinet. If, in the usual way, it is announced within the next few weeks, through a judicious leakage to the press, that the government has decided to "appoint" Mr. X as Speaker, then we can assume that the Speakership is back at least to where it was before the pipeline debate.

But adding new vitality to the Commons is going to require searching consideration of more than the Speakership. Effective parliamentary scrutiny of governmental affairs needs hard work on the part of groups of members working together on committees, and too many of the Commons' committees do not work hard enough, and are too large to be effective anyway. What ought to be

one of the fundamental elements in any parliamentary system, the Public Accounts committee, has a striking record of existing for long periods without meeting at all.

The absurd size of some of the committees (which on occasion has approached half the membership of the House) stems originally from the fine old custom of giving adequate representation to all regions and parties. This means in practice that not only must all groups be represented, but also that the larger groups must have proportionately larger representation than the smaller. Thus the Public Accounts committee, for example, in 1867 had 21 members, consisting of 15 Conservatives and six Liberals; 10 members came from Ontario, seven from Quebec, and two each from Nova Scotia and New Brunswick. A bare decade later, when three new provinces had joined Confederation and both parties had strengthened their positions across the nation, the committee had 74 members, with the smaller provinces being represented by from one to six M.P.'s, Ontario by 33 and Quebec by 27.

However defensible this application of the representative principle may be on political grounds, or on the grounds that it provides experience for more members, it has hardly facilitated parliamentary surveillance of the executive, particularly since we make less use now of active subcommittees than we did in the past.

The size and complexity of modern government suggest that it is time once more to consider giving trained staffs to the committees. Parliament has always had many able members, and no doubt it has as many now as in the past. A member would have to be more than able, however, to master documents like the Public Accounts and the estimates (which he probably never saw before his election) without several years' work and experience.

An argument against the providing of staffs for parliamentary committees is that the practice is contrary to the genius of the British parliamentary system, which centralizes authority over everything in a responsible cabinet. The claim hardly stands examination. No one could argue convincingly that the proper working of responsible government requires that M.P.'s be kept in continuing ignorance of any aspect of government, and committee staffs need not be charged with anything more than assisting members to acquire knowledge.

For years after Confederation at least two Canadian committees had small staffs working for them in addition to the usual clerk. These early staffs were not research staffs, but they were staffs working under the direction of the committees, not the cabinet, and they establish

CONTINUED ON PAGE 34

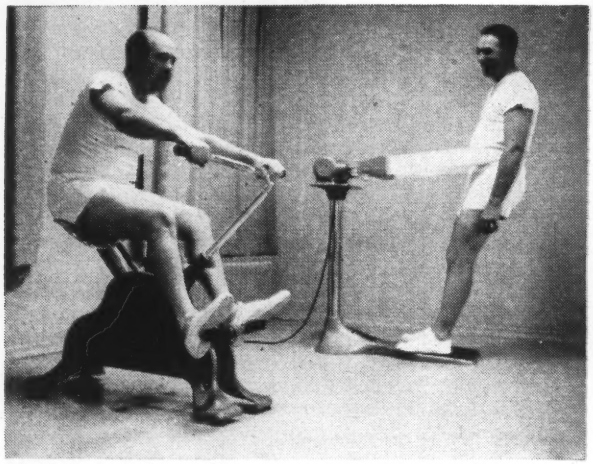
Restore Parliament's Power?

Ward

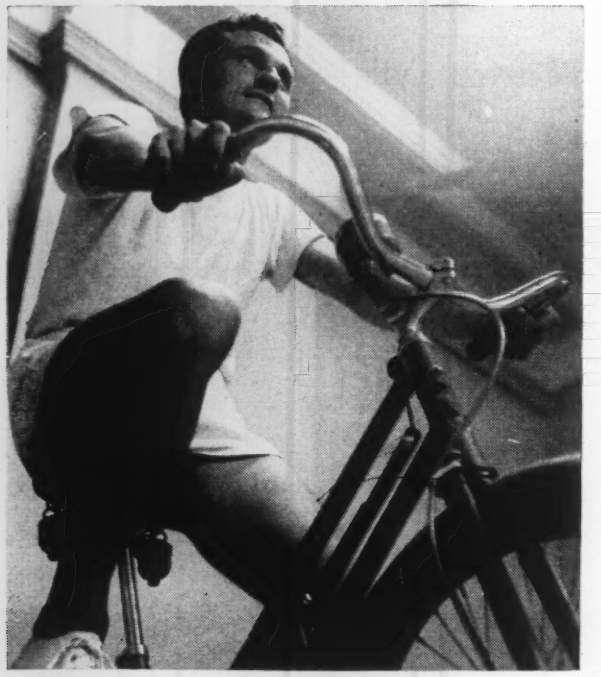
Let's eliminate the dead wood in parliamentary committees, give them some real work to do and a staff to help them do it.

Speaker Beaudoin; A new Speaker is not the answer to all our problems.

A steam-filled hide-away for harassed executives, complete with broadloom, soft music and the aromatic scent of the pine.

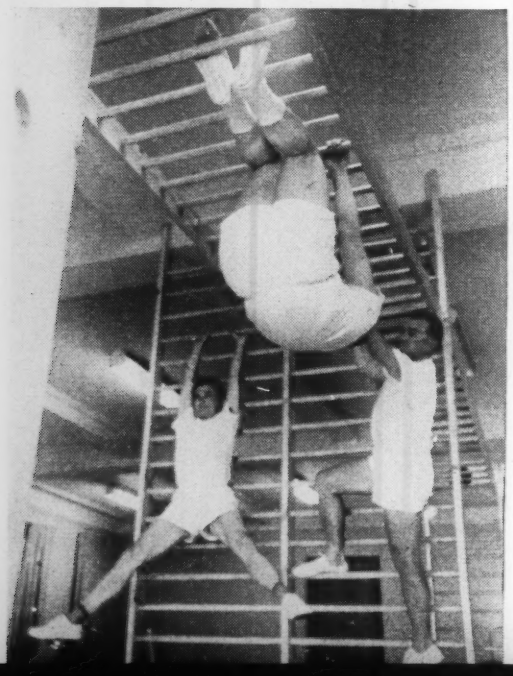


Gym equipment helps tighten sagging paunches.



Stationary cyclist gets nowhere in lunch-hour work-out. Club has some 15,000 feet of space.

Health is club's main object. Members get guidance in programs from physiotherapist.



Business Men's Bath Club

by Ron Kenyon

PLAGUED BY pendulous paunches, sagging muscles and shortness of breath after violent exercise—such as walking between the president's chair and the outer office—Toronto executives are looking with more than usual benevolence upon a new club just opened on downtown Yonge Street.

Called the Excelsior Club, it is dedicated to adding health to wealth, and longer life to five figure bank accounts.

Its president, Eric Raamat, says his idea is based on the use of the Finnish sauna bath (sauna means "rejuvenation") and expects to open two more such clubs in Toronto before extending his operation to Montreal and thence to other Canadian cities.

Already, tired business men are getting the habit of dashing to the convenient club, lying around in steam baths in the lunch hour, getting a quick massage, then heading back to the workaday world pink and clear-eyed, with a military bearing unattempted since 1945.

The idea for the Excelsior Club came to Mr. Raamat, he says, when he emigrated to Canada from Estonia eight years ago. He missed his sauna baths and felt terrible.

"I realized what Canadians had been lacking all their lives. I determined then to start a sauna bath in Canada," he said.

Member checks progress on club scales. Doctors co-operate to supervise any special treatments.

Finnish steam baths, called sauna, *are keynote of club's health and fitness program. Cold showers are optional.*

Two years ago he began phoning executives, asking if they would support his club. Gradually, he became aware that they would want more than just sauna. And so the idea grew into a complete club with gymnasium, lounge, reading rooms, billiards, golf, television and bar. but the crux of it all, in Mr. Raamat's mind, is still the sauna bath.

The Club opened six weeks ago, occupying two floors with 15,000 square feet of floor space at 86 Yonge Street in the very centre of the steamy downtown district.

The other day I visited the club. In fact I interviewed Mr. Raamat in the sauna bath which, if unusual, was at least appropriate.

Massage follows steam bath while members catch a nap.

Several peace treaties, he told me, have been signed after relaxing sauna baths. Sitting there perspiring profusely, wrapped in nothing but the aromatic scent of pine, I felt far from warlike.

The main difference between sauna and other baths, such as Turkish, Roman and Greek, is that it combines both steam and dry heat in a unique way. The baths always are constructed largely of wood. A furnace (in Finland a birch fire) is used to heat a pile of large, round stones upon which, from time to time, water is thrown. Since the temperature may be around 180 degrees Fahrenheit, the water rapidly evaporates, forming a brief steam, but is quickly absorbed by the wooden walls and roof.

In its original Finnish style, sauna is a trying experience for the uninitiated. Your Finn gets himself well cooked in the bath, then bursts forth naked and throws himself into the ice-covered lake, breaking the ice and whooping with satisfaction as he frolics in the chilly water.

Despite its long and honored history in Finland, sauna has only recently burst upon the Western world. Travellers, even up to recent times, took the view that the Finns would give up sauna once they became civilized like the rest of us.

The Excelsior Club's sauna reminded me of a walk-in refrigerator, except for the temperature. One feels like a side of beef parked on a ledge to be called for later. The idea is to cook as thoroughly as is reasonably possible on any of three levels (the highest being the hottest) and then rush out and have a cold shower next door.

CONTINUED ON PAGE 35

Inflation gobbles 3% from your Investment dollar. To beat the game, check growth and yields.

How Common Stocks Make Dollars Fatter

by R. M. Baiden

THERE IS AT least one point on which economists are agreed: The purchasing power of our money is deteriorating. Currently, the rate is about 3% a year and many economists believe the rate will be maintained or even increased in the years ahead.

What this means, of course, is that your dollar will have progressively less purchasing power. You will need more dollars in the future to buy the equivalent of today's goods and services.

For most people — those whose incomes are geared to Canada's economic expansion — this probably won't have too noticeable or important an effect. Where it will hit, and hit hard, is at the money you save and at people whose incomes are fixed.

This is the rub: You can earn more and save more than ever before. But in about 15 years your savings are likely to be worth only half of their value the day you put them away.

The solution is to put your savings to work.

In technical terms, you build an inflation "hedge". A hedge in this sense is an investment which rises in value when the purchasing power of money decreases, as during inflation.

There are many hedges. Land, houses, precious stones and antiques can serve the purpose. But such investments have an important drawback: They are not always readily convertible into cash. Conversely, investments such as bonds, insurance annuities, endowment life insurance and even ordinary life insurance, although valuable as sources of cash, are not inflation hedges because they pay fixed amounts.

The most effective hedge can be the common stock, the share in ownership of a company. And the best common stocks, for most investors, are likely to be those of well managed companies that own large reserves of natural resources. Raw materials generally move up along with the general price level. Coupled with natural resources should be the prospect of increases in earnings and principal value.

Take the example of one Canadian company:

Suppose some far-sighted or lucky investor had salted away $5,000 in 100 shares of Consolidated Mining and Smelting Co. of Canada Ltd. in 1912. Today, that holding would have mushroomed to some 11,000 shares worth roughly $250,000. In addition, total dividend receipts during the 45 years would have exceeded another $250,000. That is growth.

Look at the record to see what happened during those years. The company was formed in 1906. But our investor was smart; he waited a while to see how the new firm would shape up. From a high of $145 in 1907, the stock got as low as $40 by 1911. By 1912, the stock had started to turn around and our man bought in at $50. By 1916 it had climbed to a high of $157 and was split four-for-one. Our man now had 400 shares, which by 1936 climbed to a high of $293.50 before being split five-for-one. In the meantime, there were two 10% stock dividends. He now had 2,200 shares which by 1952 soared to $202 and were again split five-for-one. This marked about the all-time high for the company's stock which currently trades around $22.

So far so good; but there is another lesson to be learned. Growth is not an even, continuous proposition.

Take another look at what happened to Smelters stock. After the 1916 split the stock fell to a low of $24.75 from the equivalent of $39 and by 1921 had dropped to $13.25. By 1926 it had soared to $264.50, by 1929 to $575 and by 1932 had plummeted to a low of $25. It then bounded to its 1936 high of $293.50 before that split. It went from a high of $100.25 in 1937 to a low of $29 in 1940 and then to a high of $131.75 in 1948. By 1952 it dropped from its post-split price of $42 to $23 in 1953, climbed back to about $40 in 1955 and then settled back to its current level.

This is the lesson: If you can pick the stock of a young company that appears to be going ahead in line with overall Canadian development, you have a good bet for strong capital appreciation. If you have the time and persistence you can, by astute trading, take advantage of price swings to build up your equity. But even without trading you can, over a decade or so, expect a substantial capital gain.

Certainly, Smelters is one of an elite group of Canadian companies — International Nickel, Noranda and Aluminium Ltd. are others. They form a small percentage of natural resource industries whose growth has been spectacular. But they illustrate in a striking manner what can be accomplished, to a more modest degree, by investment in the common stocks of Canadian firms.

The opportunities for investment for growth are impressive. In the extractive industries you can take your pick from oil, natural gas, iron, nickel, copper, uranium, lead, cobalt, mercury, rare and precious metals. In fabricating and processing the range runs through virtually every requirement of modern civilization.

Common stocks also have a two-fold advantage for Canadians that are available in few other countries of the world. There is no tax on capital gains and there is a personal income tax credit of 20% on dividends received from Canadian tax-paying corporations.

While growth is the pre-eminent consideration in buying common stocks, you also have to consider income. Here you must sometimes strike a balance between whether your present income is more important than future growth. Obviously, if your income is your main concern, your investment tends to be directed more to the company with a good dividend record than to a newer, riskier company.

Here again, your choice is wide. Yields on common stocks range anywhere from the 1.53% of Hudson's Bay Co. to the 14.86% of East Sullivan. There is, however, an important point to remember regarding yields. The yield is determined by the current price of the stock and the dividend paid on it. The price of the stock is an evaluation of the stock's worth today modified by an appraisal of its probable worth tomorrow. The dividend is paid on profits earned yesterday. In other words, there is a significant time lag between the two components of yield.

This lag can have the effect of creating a false attraction in terms of yield value. For example: Many big Canadian natural resource industries have been slipping or barely holding their own in terms of stock price for the last year or so. Chances are with the current oversupply of copper and an expected surplus of nickel, stock prices will decrease further as investors discount these factors.

But dividends are being paid on past, relatively higher, earnings. As earnings decrease, so will future dividends. The unwary investor who buys into such a situation may find his yield sharply reduced.

Here is a sampling of yields available among industrial mining and oil stocks:

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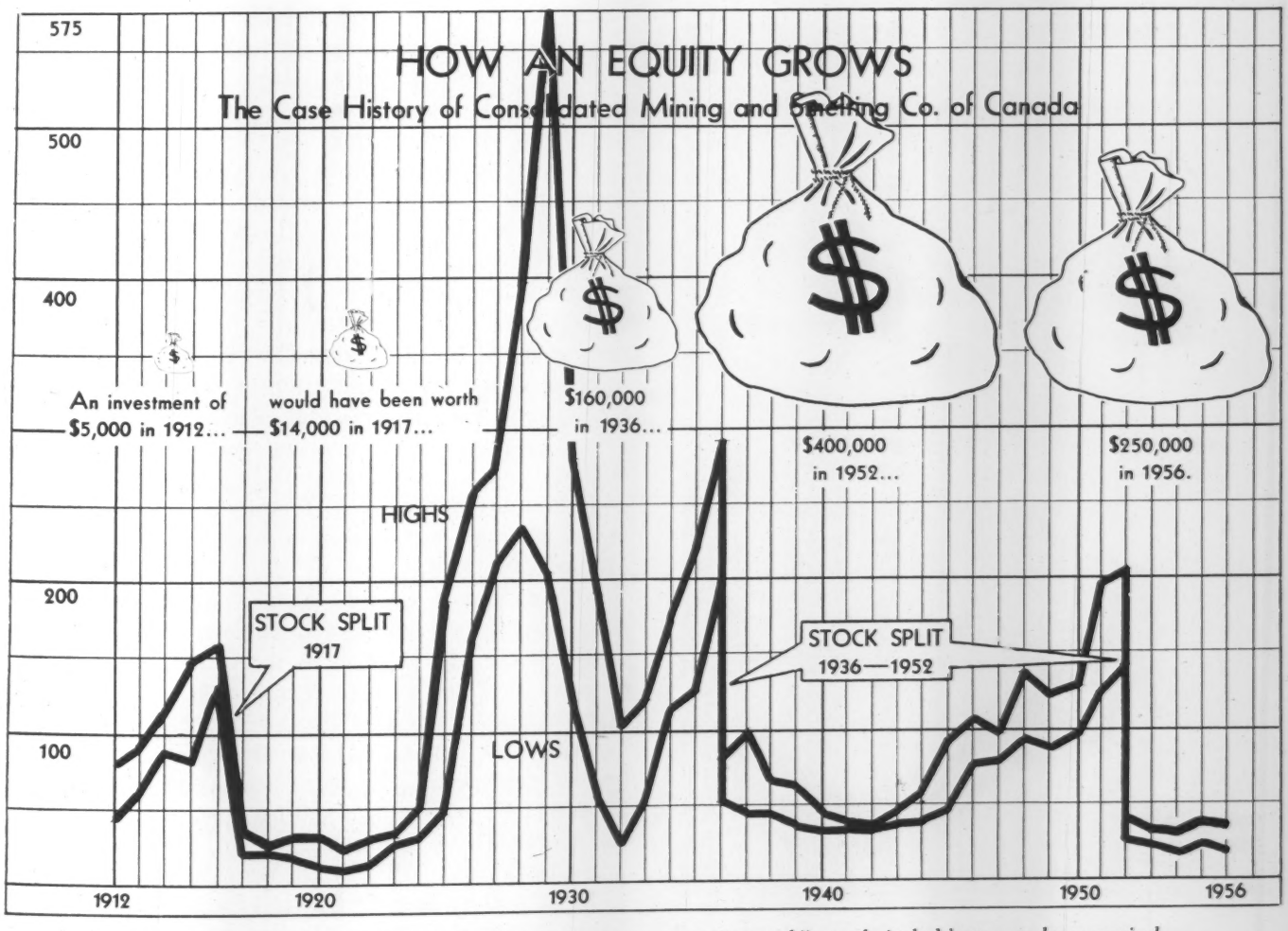

The investor's dream: What happens when a proper "growth" stock is held over a long period.

Claire Gagnier: Bread-and-Butter Serenade

by Brian Cahill

Claire Gagnier appears on CBC's "Serenade For Strings."

A trained and talented singer, she makes her living from TV for lack of a Canadian Opera.

THE Canada Council for the Arts is warned hereby to bestir itself. It has no time to lose in building a Canadian Opera House and forming a Canadian Opera Company. If the council doesn't hurry Canada may lose —among others—a pretty, talented, hard-working soprano named Claire Gagnier; a polished, professional singer now wasting her time and talent on Canadian TV and displaying more than casual interest in the artistic opportunities and financial awards available to a good performer in Europe and the United States.

Miss Gagnier, a tiny (five feet two, size nine dress) soprano in her early thirties redeems a schmaltzy CBC-TV program called *Serenade for Strings*. She has also been seen and heard in other CBC productions, notably as Mimi in the Folio production of *La Bohème* and as a soloist on the *Concert Hour*. Right now, in addition to her TV program in which she shares with Denis Harbour, bass, a 16-voice, all-girl choir and an orchestra under the direction of Jean Deslauriers, she is appearing in the feminine lead in *Don Giovanni* produced by the Montreal Festivals.

Not pampered "local talent", no temperamental scene-thrower, she has worked long and hard at the business of being a good singer. A member of a family famed in musical circles in Quebec — her uncle was J. J. Gagnier, former musical director of the CBC's French network and her father was Rene Gagnier, a well-known bandmaster—she began singing professionally at 14 years of age when she had her own program on Radio Station CKAC in Montreal.

By 1942, when she was 18, her talent was beginning to be noticed by both French and English-language critics in Montreal. Thomas Archer, music critic of *The*

With three children, she tried being "just a housewife" but it didn't take.

She sings in Montreal Festival's "Don Giovanni."

Gazette and a slow man with a rave, said in November of 1942:

"There can be no doubt of her gifts. Her singing may be immature . . . but the material for greater things is unquestionably present. Miss Gagnier is musical. She sings with charm. Also she sings with intelligence. Her hearers can sense at once that she understands the matter in hand and is able to convey it directly to her audience, an unusual faculty in one so young."

Two years later Mr. Archer was still enthusiastic.

"She is a born singer," he said. "When she fails, she fails through inexperience rather than by directly misapprehending the demands of her art . . . the singer's approach to the music is invariably conscientious and honest, that, in short, of a real student, than which there can be no higher title of honor in a musical art."

Meantime young Miss Gagnier had been awarded a Quebec Government scholarship and named the winner of radio's *Singing Stars of Tomorrow*. She took a couple of years off to study at the Julliard School of Music in New York and under a private teacher there. In 1945 she appeared in Montreal and Toronto with the New York's Metropolitan Opera Company productions of *The Marriage of Figaro* and *Carmen*. She sang Cherubino in *Figaro* and Micaela in *Carmen*. Her Cherubino was terrific. The role of the playful pageboy exactly suits her light, true voice and she does wonderful things to tight, embroidered pants.

Miss Gagnier, in private life Mrs. Raymond Dionne and the mother of three children, gave the just-a-housewife bit a good try. Almost five years.

But it didn't take.

"I just had to sing," she says.

The children, Pierre 9, Michele 6 and Andre 5, frequently watch their mother on television. Only the baby, Andre, has ever been critical. One scene called for mother to go off arm-in-arm with a tenor and live happily ever after.

"Andre was convinced I had gone for good and left them all," said Mrs. Dionne.

About two years ago Miss Gagnier, until then a typically dark-haired French-Canadian beauty, decided to become a blonde.

One of her TV roles called for a blonde who had to snuggle up close to a tenor in the course of a song. The make-up men used great quantities of a light-colored grease on Miss Gagnier's dark hair and the tenor wound up with most of it on his blue shirt and fancy jacket. He was not amused.

So Miss Gagnier decided that dark hair was more expendable than tenors and had a complete job done.

"Everybody seems to like it, and it seems better for TV, so I guess it will stay that way from now on," she says.

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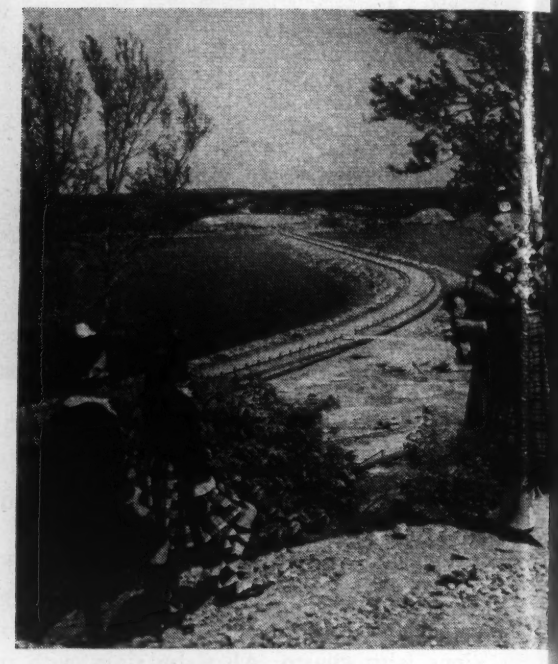
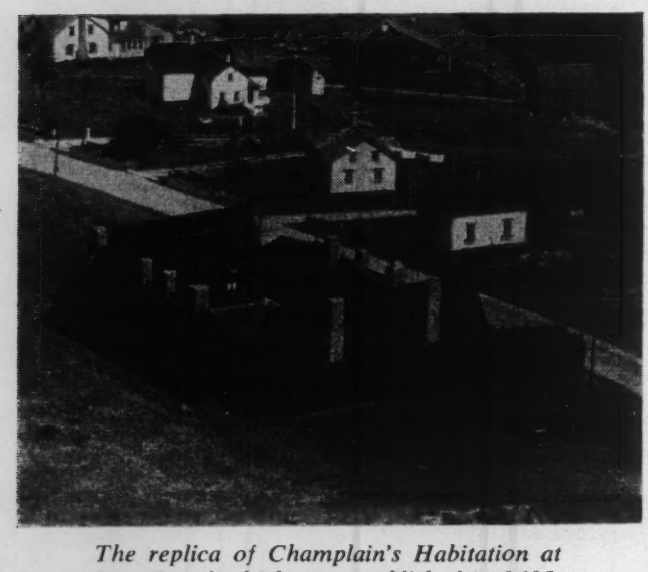
She became a blonde to please her TV viewers.

Business section of Halifax, famed "Eastern Canadian Port" of the war years. At middle right is the citadel and city's clock tower.



The road to the isles. The deepwater causeway across the Strait of Canso.



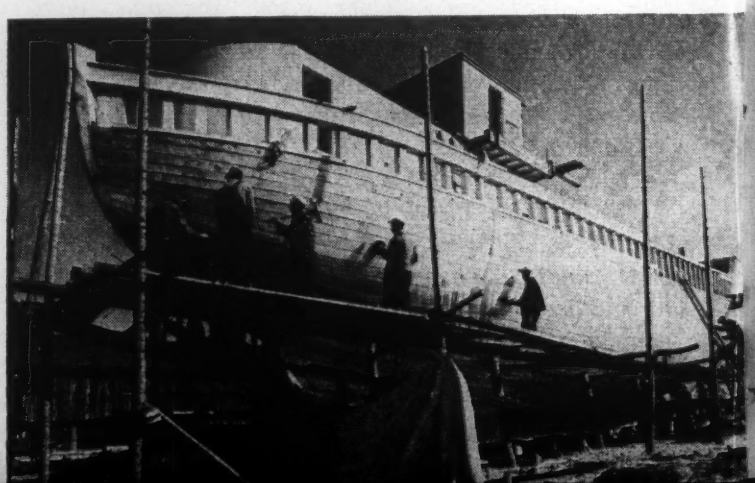
The replica of Champlain's Habitation at Port Royal which was established in 1605.

A Voyage to

by Hugh Garner

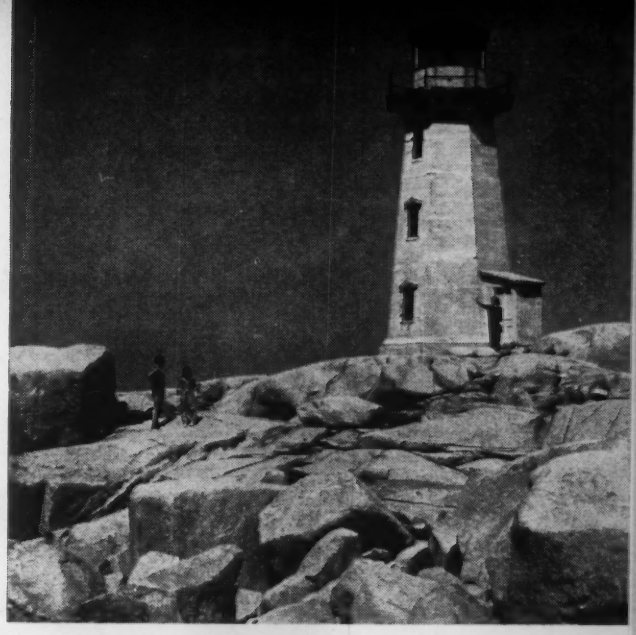
IT TOOK ME 44 years and several trips to Nova Scotia to discover that *Acadie* was the name given to the province by its earliest settlers, the French, and now I wonder why the name was ever changed. Being a haphazard traveller at best I did everything backwards, reading the province's wonderful history on my way back to "Upper Canada" by train through New Brunswick, Maine, Quebec and Ontario. Now I wish I could return and browse around Louisbourg, Chignecto, Port Mouton and Tatamagouche.

Angus L. Macdonald bridge which spans Halifax harbour is the second largest in the Commonwealth.



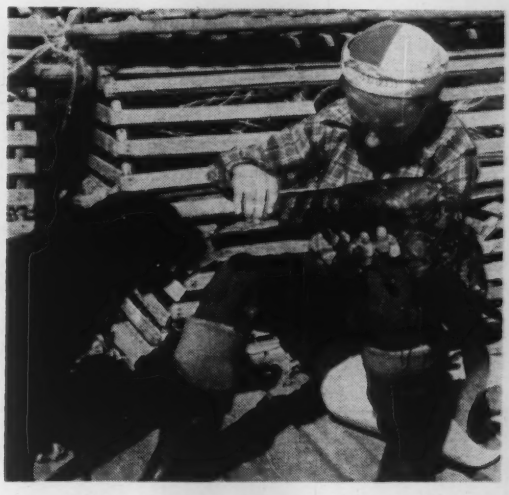
Shipbuilding is still important and old skills are preserved.

In this day and age tranquillity is a saleable commodity. Without anything spectacular Nova Scotia offers it as its stock-in-trade.



High Tourist point: Peggy's Cove.

Old town of Lunenburg is as salty as the sea itself.



King-size specimen of a big crop.

to Acadie

Garner

In the past I have entered Nova Scotia by sea, rail and highway, in a half dozen places, but I overlooked the best place of all to enter it until this summer. Perhaps it is offensive to suggest that Saint John, New Brunswick bill itself as "The Gateway To Nova Scotia", but that's what it is. The finest way to enter Canada's sea-girt province is by the C.P.R. ferry *Princess Helene,* which crosses the 48-mile-wide Bay of Fundy once a day, and return, between Saint John and Digby, N.S.

The *Princess Helene* carries 1,000 passengers, a crew of 57, and the automobiles of the highway travellers at $12 a single trip. It also carries a dining saloon and a cocktail bar, which are open all during the three-hour voyage.

Digby and the Annapolis Basin form one of the most beautiful vistas in Nova Scotia, and have as much history per square foot as any place in Canada, including Quebec City. It was around the shores of the basin that de Monts and Champlain founded Port Royal in 1605, the

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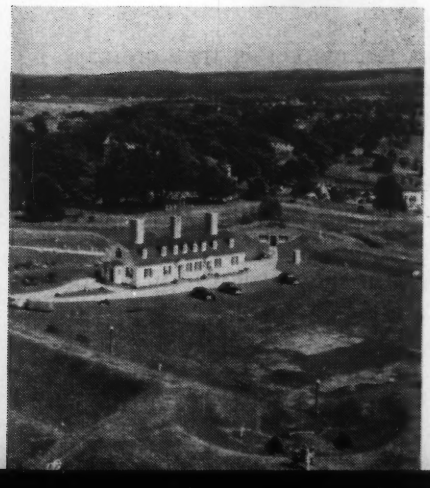


Historic Annapolis Royal retains as a museum the Officers' quarters built by the Duke of Kent, the father of Queen Victoria.

Red mud flats at Minudie offer an unusual method of gathering fat shad.

Tax law changes let you deduct from taxable income part of the money you pay into a registered retirement fund.

New Retirement Plans Save You Tax Dollars

by William Sclater

SINCE THE GOVERNMENT announced the amendment to the Income Tax Act, effective with the 1957 taxation year, Trust Companies and Insurance Companies have put their brightest minds to work on retirement income plans that will qualify for deductions from taxable income.

Just how big a market will be opened is still largely problematical but the variety and flexibility of the approaches now being made augurs well.

TAX DOLLARS SAVED

The following figures, offered by Montreal Trust Company, show how a registered retirement plan might work.

Earned Income	Maximum Allowable Annual Contributions to the Plan	Non-Participants' Tax	Your Tax	Your Tax Savings
$	$	$	$	$
3,000	300	150	105	45
5,000	500	510	415	95
7,500	750	980	830	150
10,000	1,000	1,560	1,320	240
12,500	1,250	2,285	1,910	375
15,000	1,500	3,160	2,615	545
17,500	1,750	4,135	3,445	690
20,000	2,000	5,210	4,350	860
22,500	2,250	6,285	5,317	968
25,000	2,500	7,360	6,285	1,075
27,500	2,500	8,460	7,360	1,100
30,000	2,500	9,660	8,460	1,200
32,500	2,500	10,860	9,660	1,200
35,000	2,500	12,060	10,860	1,200
37,500	2,500	13,260	12,060	1,200
40,000	2,500	14,460	13,260	1,200
50,000	2,500	19,660	18,335	1,325

Note: Figures are based on 1957 income tax rates for a married taxpayer with no dependents.

At first sight the self-employed business or professional individual who formerly was unable to qualify for tax rebate would seem to be the primary market. But groups of partners are also logical prospects, and this widens the field to include lawyers, engineers, business and professional people in many brackets.

An even bigger field is opened up for associations and groups in business, industry and the professions. The Canadian Medical Association, if even 50 per cent of its members joined a plan, would be a juicy plum from the group viewpoint. There are others in this category, said to be on the verge of signing up.

Briefly, what the amendment permits, is that a taxpayer with an earned income of $5,000, for example, may count payment of 10% or $500 to a Registered Retirement Savings Plan, as a deductible when computing his tax. The normal tax on $5,000 earned income is $510 but the participant in such a plan would pay $415 tax, thus securing a rebate of $95. On an income of $7,500 the rebate would be $150; on $10,000 income $240.

Income from the plan, payable from 65 years of age on or whatever the selected date is, will be taxable of course but most of us will be earning less then in retirement and will be in a lower bracket. If a plan has to be de-registered in emergency, before retirement date, the individual will be liable to a minimum tax impost of 25% on the refund payments.

A further factor in the market is that ordinary life and endowment policies now purchased, may be modified to permit a portion of the premium to be claimed as a deduction from tax. In the case of ordinary life, for example, up to 60 per cent might be claimed as a deductible, depending on the policy. Term insurance would not be allowable for registration.

A look at the offerings show that practically all the Trust Companies are getting into the business to a greater

CONTINUED ON PAGE 37

Puzzler

by J. A. H. Hunter

FAR BACK as he remembers, Ron has been hearing about that mysterious Fund. "Something for when you're twenty-one," was all they'd say.

But last Monday his curiosity was satisfied at last. "It's reached exactly a thousand dollars today," his father told him, "and all in the old iron chest upstairs."

"Gee, Dad!" exclaimed Ron. "That sort of money took some saving."

"A few cents every day, and they do mount up," his father nodded. "I started it with one cent the day you were born, two cents the next day, and so on. It was your Mum's idea and I've never missed a day."

"You mean a dollar the hundredth day?" asked the boy. "Surely not!"

"I'm not that rich," his father laughed. "Each day I put in as many cents as the total of the digits of the day. The ninety-ninth day eighteen cents, but the hundredth day one cent."

Ron's a lucky boy. But how many cents did his father put into the old iron chest last Monday?

Thanks for the idea, to: G. Guillotte, Cowansville, Que. (55)

Answer on Page 40

Chess

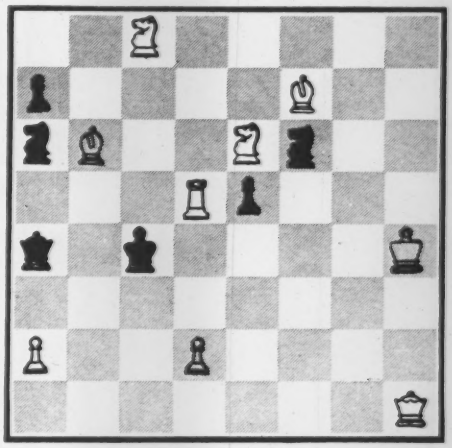
by D. M. LeDain

THE SPIRIT of Confederation did not leave chessplayers entirely unmoved. They awoke in 1872 to unite into the Canadian Chess Association, and the then Governor General, Earl of Dufferin, patted them on the back with his patronage. Championships have been held regularly since Toronto, 1873. Present champion, Frank R. Anderson, Toronto, will defend his title in the Championship at Vancouver, Aug. 24-31.

White: F. R. Anderson, Black: R. B. Hayes, (Canadian Championship, 1951). 1.P-K4, P-K3; 2.P-Q4, P-Q4; 3.Kt-Q2, P-QB4; 4.PxQP, KPxP; 5.KKt-B3, Kt-QB3; 6.B-Kt5, P-QR3; 7.BxKtch, PxB; 8.Castles, B-K3; 9.PxP, BxP; 10.Kt-Kt3, B-K2; 11.QKt-Q4, Q-Q3; 12.R-K1, Kt-B3; 13.Kt-K5, P-B4; 14.KtxBP! KxKt (if BxKt; 15.Kt-B5); 15.KtxB. Kt-K5; 16.Kt-B4, KR-Q1; 17.P-B4, PxP; 18.Q-B2, Kt-B3; 19.QxPch, K-K1; 20.Kt-K6, Resigns.

Solution of Problem No. 172 (White). Key, 1.K-B6.

Problem No. 173, by J. Oehquist. White mates in two. (9+6).



Three In One

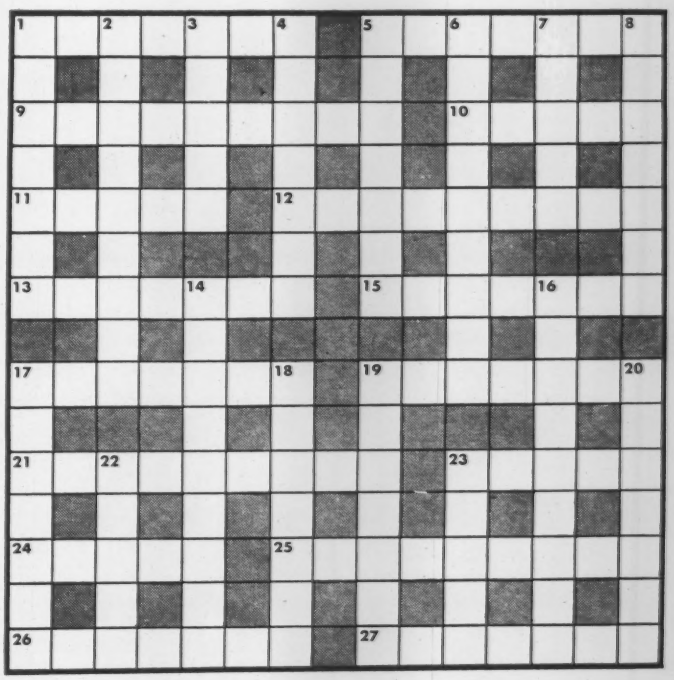
by Louis and Dorothy Crerar

ACROSS

1 You might admire a change in the island. (7)
5 See 9.
9, 5 This once popular song could hardly be termed light ballroom music. (7, 2, 3, 4)
10 Eliza learnt that Spanish rain fell here. (5)
11 I, Neptune, am not apt to appear without my tail. (5)
12 Soil his property? (9)
13 One hart is much like . . . . . (7)
15 She read about what happened in a clip joint. (7)
17 It's an error for the sound girl to help herself. (7)
19 Its sins will find it out. (7)
21 Upup. (7,2)
23 Phoney greeting? (5)
24 But for him, Grieg would not have composed Solveig's Song. (5)
25 Superfluous Russian and German insect? (9)
26 They're found in straits, but not always dire. (7)
27 Sh! If Ted wants to remain so, it's all right. (7)

DOWN

1 Where you may have your cake and drink it, too. (7)
2 Did Dan grouse about his resemblance to McGrew? (9)
3 Dot two i's. How silly! (5)
4 When one is cornered, one's not necessarily so. (7)
5 Usually more than this number are, of an ant hill. (7)
6 In fourteen hundred and ninety-two, One of them sailed the ocean blue. (9)
7 The answer to 1A occurs this and this. (5)
8 But these spirits are not necessarily those of dead relatives. (7)
14 Wrinkles from the press? (9)
16 Concerning a sultan to whom 13 gave its heart at last. (9)
17 Sounds like a crazy time for wine. (7)
18 Lasts like fractures and ruptures do. (7)
19 I'm starting bars. (7)
20 How measles were first recognized? (7)
22 Did Shaw expect "The Apple Cart" to? (5)
23 City in which more than oil is found. (5)



Solution to last puzzle

ACROSS

1 Barbican
5 Belial
10 Goggles
11 Bedroom
12 Milliners
13 Reign
14 Trillium
16 Edged
18 Actuary
21 Saturn
25 Biped
26 Chantilly
27 Hearten
28 Air mail
29 Pastry
30 Dead beat

DOWN

1 Bigamy
2 Regular
3 Ill will
4 Austerity
6 Endorse
7 Ironing
8 Lemonade
9 Ibis
15 Mismanage
17 Lamb chop
19 Top hats
20 Auditor
22 Tutored
23 Release
24 Eyelet
26 Cant (422)

Books

by Arnold Edinborough

Popular Books and Moral Values

All is conjecture about these things. The influence of some books and magazines has never been properly studied: the tastes and needs of the audience are completely disregarded.

DO CANADIANS read more dirty books than they used to do, or are the books which are readily available in magazine shops and cigar stores more smutty and sexy than they were a generation ago? Professional moralists would have us think so. So would the members of certain service clubs and women's organizations whose main task is to keep their own good works in the public eye. But we should not be easily convinced that because a Carrie Nation axe-crusade is undertaken on the nation's book shelves that what is found there is exactly what these people say is to be found there, nor that it has a deleterious effect on national morals.

The impetus for such crusades often comes from international headquarters in the United States and in more than one instance the list of publications and book titles sought for was provided from this source. The members of the clubs were thus acting on instructions which they took to be right. They did not read the books which they condemned.

This growing feeling that the bookshelves are the source of so many of our troubles (juvenile delinquency, sexual promiscuity, acting tough on the streets and "crime for the kicks") is dangerous. It is making one of the symptoms into the disease and it is taking an easy way out. To cope with discipline problems in the home or the school needs backbone and inner strength. To blame the lack of discipline onto books and magazines is much more satisfactory since you can banish them more easily than you can banish your 'teen-agers either from your home or your mind.

All this does not excuse the publishers, however. The bookshelves across Canada are filled principally by large firms of book wholesalers. That they are cynical and unprincipled in their catering to the baser side of their mass readers is true. That the merchandising of their material is done by heavy reliance on sexual symbols is just as true.

What is neither true nor perhaps verifiable is that these publications and their method of merchandising are in any way responsible for any social problems that we have. To believe that, we have to believe that the average, partially-educated reader thinks that what he reads is true.

Can we really assume that the girl who buys any of the secrets type of magazine thinks that its contents are true? Even if she thinks that these are real secrets and confessions, does it make her want to be like the tellers? Does the young man of twenty think that all private detectives get their information from nubile and luscious women? Or that his income can support all the hard liquor he drinks or his liver absorb it? Or that the job is for him?

I think not. This is a fantasy world into which, after working in the plant all day pushing the same strips of metal into the same machine, he needs to plunge. It is the fantasy world which compensates the young over-worked mother for the cries of the baby, the demands of her husband and the incessant preparing of food and washing of dishes. It would be just as valid to suggest that these books, which are often said to cause crime, in fact prevent it. The reader gets his excitement from the printed page and does not, therefore, feel that he has to go outside and create it. He is prepared to read about non-conforming illegal activities rather than to indulge in them.

The fact is that all is conjecture about these things. The influence of such books and magazines has never been properly studied. Their effects have never been scientifically observed. The motives of the publishers, the attitudes of the booksell-

"Cynical and unprincipled in catering to the baser side".

ers, the effects of public outcry (such as there was a little while ago against crime comics), even the taste and needs of the audience to which they are directed—all these have been disregarded so far in this country.

Mr. Hoggart came from a working class family in Hunslet, Yorkshire, and his present position on the faculty of the University of Hull has been achieved by hard work and scholarships. He, therefore, knows what the working class is, and he can understand it much better than those professional sociologists who have always had money in their pockets.

He maintains that the working class (those in the under $750 to $1400 wage bracket and who make up 72 per cent of Britain's population) are a tough lot. They have such a constant struggle to make ends meet that they are not very receptive to salesmen. They have an instinctive dislike of authority since it is exercised by "Them" i.e. those people who make more money and who rule the country. They left school at the age of fifteen and realize that no amount of extra study on their own is going to help them very much. They have the brains to realize that they have not much talent except for the job at which they make their money. And they do not see why they should try to develop attitudes which do not help them in the immediate task of getting enough to eat and a bit of entertainment.

Some of their virtues are peasant virtues which they brought with them into the towns when they came a hundred years ago. Self-reliance, a grumbling but relatively passive acceptance of their lot and a sure faith that "you niver git owt for nowt" whether you try to do so by living on your wits, living on other people, or by criminal activities.

These qualities, which are those of the work horse, are often, according to Mr. Hoggart, mistaken for those of the sheep. The purveyors of mass entertainment, the hucksters, the radio and television programmers, ill-advisedly try to push these people along, thinking that they will all follow a good lead. They even try to be pally and jolly with them in a way which is as phoney to the working man as is the salesman who promises him the earth for nothing down and two years to pay.

Mr. Hoggart is worried though that the leaders from the working class who have helped to retain this solid base, who organized the workers' movements in the late nineteenth century, who put up the various clubs and co-operative movement facilities and who first drafted the program of the Workers' Educational Association are now being taken, by scholarships, out of the working class. The impact of the mass media will be thus much greater since there will be no leavening in the mass of readers, no one who can

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put his finger on the way in which the audience is being exploited.

The result may be a complete depersonalization of the masses achieved by giving them what the owners of the press, the cheap publishing houses, the TV stations and the advertising agencies think they want, whether they actually want it or not. In other words, by catering to them without any attempt to raise their standards, by keeping them happy with spicy novels and cheesecake books, by denying them any real human dignity or worth they may be reduced to the sheep which they are not now. The implications of a working class which becomes conditioned to the shoddy and deluded by the brash and gaudy are clear. They lead to the end of the kind of democracy which we have struggled towards. As Mr. Hoggart says:

"The problem is acute and pressing . . . how . . . freedom may be kept as in any sense a meaningful thing whilst the process of centralization and technological development continues. This is a particularly intricate challenge because, even if substantial inner freedom were lost, the great new classless class would be unlikely to know it: its members would still regard themseves as free and be told that they were free."

Mr. Hoggart writes about Great Britain. But what he has to say is applicable to Canada. From the families which now staff the mills and factories in Britain came the emigrants who made this country what it is. The same native shrewdness is here, the same determination "not to be took". And the same problem remains. In a society which aims to level everyone, how can the sturdy working class values survive? Certainly not by having bands of crusaders tell the masses what they should read. Nor, on the other hand, by publishers who recognize only the basic Freudian urges. It will be a difficult job to get them to survive. But somebody must tackle it. Mr. Hoggart's book would be the logical starting point. It is quite one of the most intelligent and searching books that has seen print in many a day, and shows the very qualities of intellectual toughness, resilience and earnestness which he admires in the class from which he came.

Jacket Design

The Uses of Literacy: Aspects of Working-Class Life with special reference to publications and entertainments, by Richart Hoggart—pp. 319 with index, notes and bibliography—*Clarke, Irwin $5.25*

Period Conflict

Afternoon of an Autocrat, by Norah Lofts—pp. 351—*Michael Joseph— $3.50.*

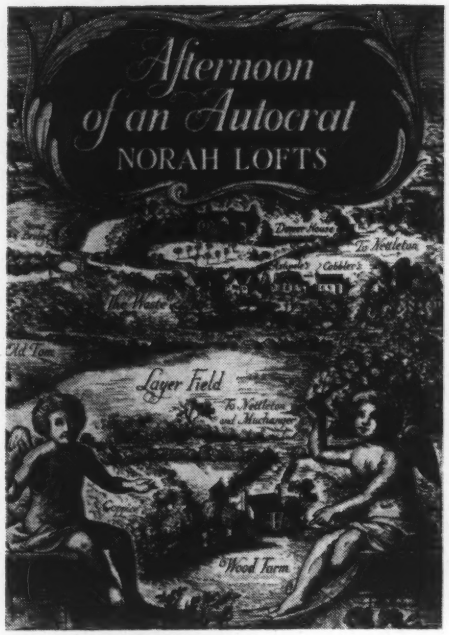
NORAH LOFTS has written an expertly contrived and rapidly paced novel on a theme—land enclosure in 18th century England — that could have been as flat and dull as any stretch of pasture. Instead, she has made this book a substantial and entertaining novel, largely because she has worked out a strong plot and peopled her book with a strange assortment of characters: autocrats and philanderers, necromancers who dabble with the Black Mass and pious Methodists who build chapels, laborers and landlords. Mingling with each group but belonging to none is the changeling girl, Damask Greenway, who holds plot and sub-plot together. Thus the tale of the fencing of common land and open field is as varied and rich as the Suffolk landscape and a real sense of the conflict of the period is achieved. F.A.R.

Court in Exile

Margaret The First, by Douglas Grant—pp. 239 — bibliography, index and illustrations—*University of Toronto Press—$4.50.*

"I AM, MADAM, an admirer of rarities, and your Grace is really so great an one . . ." These words were addressed to Margaret, Countess of Newcastle, by Joseph Glanvill. They are quoted by Douglas Grant in his biography of the lady, *Margaret the First,* and they obviously express his views just as succinctly as they did Glanvill's.

She was indeed, unique. Shy and bashful to the point of being tongue-tied outside her family circle, she yet overcame her natural timidity sufficiently to leave home and family and follow Queen Henrietta Maria into exile. There, dowerless as she was, she nevertheless attracted the attention of the noblest courtier among the exiles, the highly eligible widower, William Cavendish, Earl of Newcastle. He was thirty years her senior, but he wooed her ardently (and poetically) and married her against the opposition of his friends, his family and his Queen.



Jacket Design

He proved a devoted and indulgent husband who encouraged his young wife in her passion for learning. She had had no formal education, but she possessed a lively and enquiring mind, and Newcastle and his brother, both of whom dabbled in the arts and sciences, stimulated her intellectual curiosity. All fields of knowledge interested her, but particularly poetry, philosophy and the new natural sciences.

Professor Grant (he is Associate Professor of English at University College and editor of the *University of Toronto Quarterly*) gives us a generous sampling of her work, thereby displaying the eccentricities of her style and orthography, which were as curious as her fashion in dress, but he does much more. He is thoroughly at home in the history and literature of the period and he has written an illuminating study of the court in exile as well as of one of its most singular personages.

F.A.R.

Raw Image

Beau Clown, by Berthe Grimault, translated by Diana Athill—pp. 183—*Andre Deutsch—$2.75.*

THIS STORY is the extraordinary connection of a fourteen-year-old French peasant girl who imagines the confluence, at her father's poverty-stricken farm, of four American Negro soldiers in a jeep, four escaped lunatics (her father, the Chopper, Beau Clown and the Professor), a white bull, and a mass of filthy children and adults. The result is related, not to literature, but the children's art.

Hunger, sex, and death are seen through

the single eye and the raw imagination of a child untouched by sentiment or refinement of any kind. The book is one to set against Margaret Mead's scientific accounts of children in primitive society and Ricard Hughes' artistic *High Wind in Jamaica.* M.A.H.

Frontier

Troller's Holiday, by Margaret Sharcott —pp. 221, illustrations — *British Book Service — $3.75.*

THE SIX-HUNDRED-MILE circumnavigation of Vancouver Island in the winter of 1954 by troller, beginning and ending at Kyuquot on the wild west coast, vividly describes that microcosm of Canadian life where the pioneer frontier is still within a few miles of the city.

Though often painful for its commonplace style and trite thoughts, this is a good holiday book. Its author deeply loves and fairly reflects life in her isolated spot on the map. Her story will give satisfaction to all who share her feeling for the West Coast province. M.A.H.

Two-Thirds

You Can't Get There From Here, by Ogden Nash—pp. 184 and index—illustrated by Maurice Sendak—*Little, Brown— $4.25.*

WHO DOES NOT know Mr. Nash? And who does not know that when he is good he is very, very good, and when he is bad he is horrid? He is very, very good in about two-thirds of this new collection of his verses, and in one piece, called *A Tale of the Thirteenth Floor* he sinks to the level of a high school student under the influence of Robert Service. It is in his own realm of seemingly rumpled but actually brilliantly ingenious verse that he remains a master. S.M.

Jacket Design

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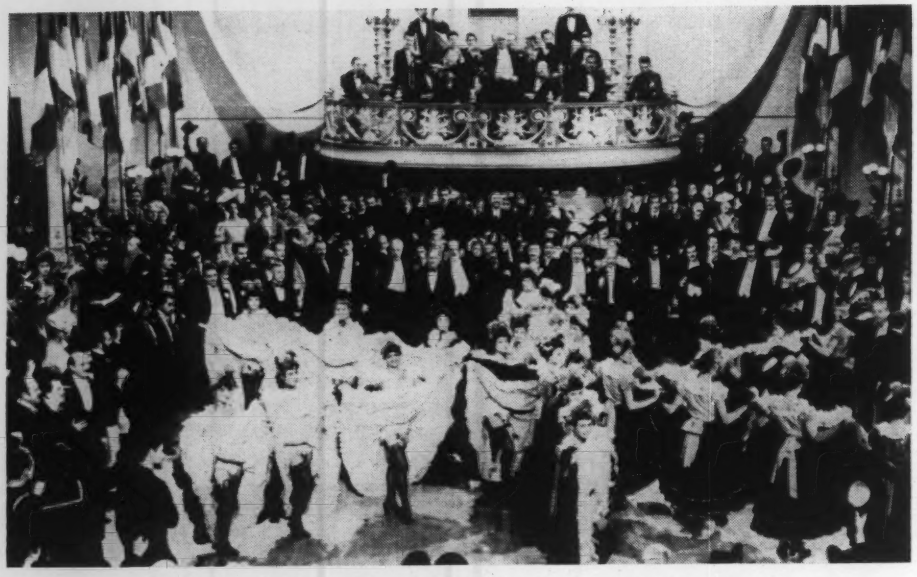


"Only The French Can", directed by Jean Renoir.

The Lively Arts

by Mary Lowrey Ross

Films at Stratford

NOTHING IN THE records of Canadian entertainment has succeeded like the success of the Stratford Festival. In five years it has developed from what appeared to be a wildly risky innovation into a flourishing national institution, a sort of modern Chautauqua of culture.

The sponsors of the Festival would probably reject this old-fashioned title. But while the Stratford Festival represents a much higher level of aesthetics and sophistication than the old-time Chautauqua, it has its roots in the same seasonal urge to combine relaxation, travel and pleasureable self-improvement. It has been entirely to the Festival's advantage that from the first it has kept its standard of entertainment uncompromisingly high.

The same high level has been observed in the Stratford Film Festival, now in its second year. Like all film festivals it was organized on the premise that there is a special troup of movie-goers who would shudder at the thought of going round the corner to see Ma and Pa Kettle and would willingly travel a hundred miles or more to watch a filmed exhibition of Jiri Trmka's Czechoslovakian Puppets. As the Festival sponsors saw it, the function of the film festival was to provide a certain type of movie-goer with the sort of movie he would be unable to find anywhere else; and everything appears to have worked out according to plan. The first season was, to paraphrase the late Will Rogers, like the first cocktail that just gets you organized for the next. A few dozen people turned up to watch the festival films in 1956, but the stimulating effect was quickly noticeable. This season marked up an attendance of over 6,000, with at least one film student coming all the way from Denver to sit through every showing, in the two-week session.

There had, of course, been considerable organizing between the two seasons.

"The Devil's General"
Curd Jurgens and Marianne Koch.

The Film Festival's production manager, John Hayes, visited a dozen Embassies in Ottawa, arranging for and collecting films, while Director Leonid Kipnis rounded up productions from distributors in New York. Together, they assembled films from seventeen different countries, including Russia, Czechoslovakia, Jugoslavia, Poland and Communist China.

The collection included feature, documentary, cultural, art, experimental and cartoon films, and with the exception of *Hill 24 Does Not Answer* which was part of an Israeli revival program, all the films exhibited had their Canadian premiere at Stratford, while most were shown for the first time in America. No rentals were paid, since with a 700 seat house the Festival can't hope — and doesn't indeed want—to operate on a profit basis. Fortunately the various Embassies were happy to use Stratford as a show-window for their films, and gladly paid the transport and brokerage charges. This meant that the Festival was able to break just about even financially, without any sacrifice of its aesthetic standards.

While dozens of film festivals are held yearly, both in Canada and in the United States, none of them is on the international level of the annual festivals at Edinborough or Cannes. This leaves a cultural gap on this continent which Stratford hopes eventually to fill.

Stratford must join the International Producer's Association which to some extent controls festival material — negotiations for this are already under way—, there must be an intensive campaign of organization and publicity, and, for the final stage of judging and awards, the introduction of some such famous world figure as, say, Jean Cocteau. It is an ambitious program, and if it succeeds it should make Stratford the film-adjudication centre of the North American continent. In the meantime, Stratford is in the happy position of finding a ready-made audience — film-students, foreign film enthusiasts, and summer people with a seasonal urge to mend their cultural fences—for exactly the type of entertainment it is eager to provide.

The two most popular entries of the 1957 season were the French production *Only the French Can,* and the German film *The Devil's General.*

The French film, directed by Jean Renoir, tells the story of the man who introduced Paris to the Moulin Rouge and the Can-can. *The Devil's General,* from the play by Carl Zuchmayer is an account of the life of Ernst Udet, the German flyer who became famous in World War I and died during the Hitler regime. Rather significantly, both Renoir and Zuckmayer made their initial success in commercially popular films—Renoir as the director of *The Grand Illusion,* and Zuckmayer as the author of *The Blue Angel.*

Records

by William Krehm

MY ADVICE to hi-fi fans with a taste for music is to hock your tweeter if need be, but don't miss getting one or more of the following Deller records.

The high-pitched male counter-tenor is a rare enough species in our day, but at one time he was very much a British musical institution. Purcell was a counter-tenor, and in mid-nineteenth century Mendelssohn was complaining about the bearded altos in British choirs. Had it fallen to his lot to hear Alfred Deller, I am sure he would have found no grounds for complaint.

Of course, on hearing a man's voice at so high a pitch you may feel some inner bias to overcome: for us voices have gender in a way that no instrument does. But after a few bars your ears will make the adjustment.

Mr. Deller does not sing falsetto. Instead of the forced and piercing quality of falsetto singers his voice has softness, wonderful fluidity and warmth. But above all there is a sensitivity of musicianship that makes most other performers seem like pachyderms. The way most singers move from note to note can be put down simply to transportation; with Deller it is high artistry. His grasp of styles is uncanny. The grace with which he reaches for a high note, the unsuspected meaning that he can draw from an ornamental figure are a constant revelation even to a hardened listener.

The English Madrigal School Vol. 1: The Deller Consort. *Vanguard BG—553.*

Elizabethan England, among other things, was a nest of songbirds. The madrigal, imported into Britain from Italy via the Netherlands, was developed by the Elizabethans to such mercurial expressiveness, now tripping in its merriment, now plangent in its woe, with so great a subtlety of rhythm, harmony and counterpoint, that the rest of Europe stood in awe of the musicianly British. Unfortunately most of this glorious Elizabethan heritage is still buried in the national attic, but on this disc you will be able to sample the glories of England's finest musical hour.

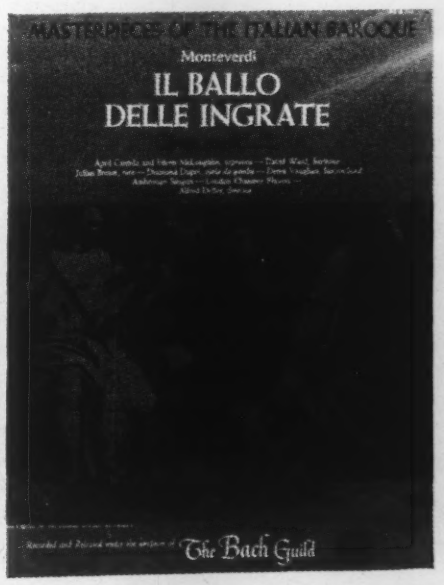
The sampling, indeed, is excellent. There is the piping merriment of Morley's *Ho, Who Comes Here?,* two sorrowful masterpieces of Weelkes, *O Care Though Wilt Despatch Me,* and *Cease Sorrows Now,* that show a grasp of chromatic harmonies that is almost modern, and works by Wilbye, Bennet, Ward, Bartlett, Edwards and Vautor as well.

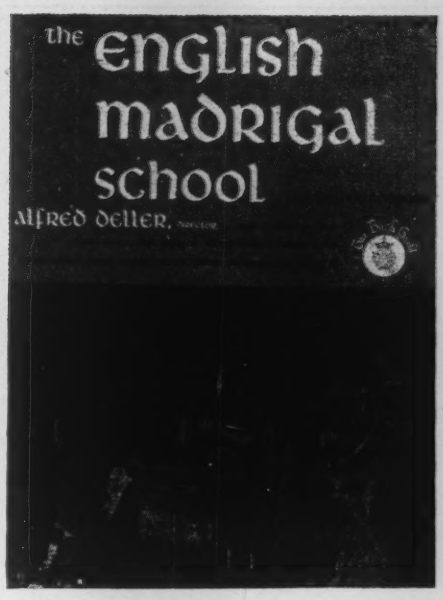
Though the rest of the performing group is of high standard, there is plentiful instance of the uniqueness of Deller's gift—for example the drained, lustreless quality that his voice takes on in *Cease Sorrows Now,* that his colleagues cannot begin to match. Sound: Excellent.

Masterpieces of the Italian Baroque: Italian songs for solo voice with lute, harpsichord and viola da gamba. Alfred Deller with Desmond Dupré and George Malcolm. *Vanguard BG—5.*

As the Renaissance gave way to the Baroque in the early 17th century, a great change came over European music, The contrapuntal writing of the madrigals gave way to a single vocal line, usually with instrumental accompaniment. This solo voice took on a great sublety of embellishment. And it is in this literature where he sings a solo part rather than a strand of a contrapuntal texture, that you can best savor the art of Alfred Deller.

Caccini's *Amarilli* made the hit parade over three hundred years ago, and has kept its place in our recital halls ever since; Deller makes of it an excruciatingly beautiful love-ridden sigh. There are also works of A. Scarlatti, Gagliano, Saracini, Donato, Berti, and Wert, a stupendous nosegay gathered in one of the most enchanting gardens in the literature of music. An entire disc of Deller solos would run the risk of becoming monotonous due to the special quality of the





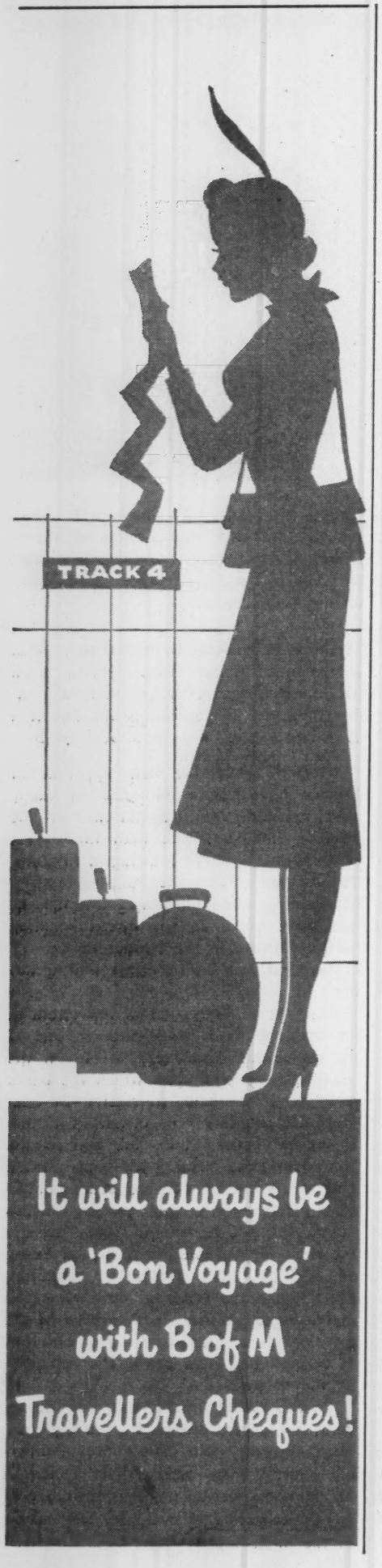
counter-tenor voice. *Vanguard* has wisely relieved this with two sonatas of Pietro Dominico Paradisi and Michelangelo Rossi, ably performed by George Malcolm on the harpsichord.

Monteverdi: Il Ballo Delle Ingrate: Eileen McLaughlin, Alfred Deller, David Ward with the Ambrosian Singers, and the London Chamber Players under the direction of Alfred Deller. *Vanguard BG—567B.*

When in 1608 the heir apparent of Mantua and Princess Margaret of Savoy were married, the preparations for the wedding involved more than the baking of dumplings and the roasting of ortolans. Twenty years later the court composer, Monteverdi, was still complaining that he had been asked to set fifteen hundred verses to music in short order for the occasion, and that the overwork had almost been his death.

There is no suggestion of this strain in the ballet *" Ballo Delle Ingrate,* one of the works that Monteverdi wrote for the occasion. The plot upon which the ballet is based is a quaint subversion of conventional morality. On behalf of Cupid, Venus persuades Pluto, the god of the Underworld, to bring back souls of the Ungrateful Ladies who are being punished in Hades for having spurned Cupid's favors during their lifetime. The Ungrateful souls appear with tear-stained faces, and sigh for life's slighted opportunities. Pluto warns the ladies in the audience—married and maiden—to take heed of the fate of these ungrateful souls and not to turn a cruel deaf ear to the entreaties of their lovers.

To this rather mischievous plot Monteverdi has written music of a rending emotional power, while the dance numbers are courtly grace itself. Alfred Deller in his high counter-tenor takes the part of Venus, and searches out every last nuance of the noble music. Recording: Excellent.



Gold & Dross

Trading vs. values—Apathy toward the gold shares—Foreign interests seeking Canadian iron ores—The outlook for pulp and paper.

Burlington Steel

Would you recommend the purchase of Burlington Steel at recent levels?—N.A., Halifax.

Burlington Steel can be recommended as a business man's investment. Only nominally a primary-steel factor, the company has built a substantial earning power in the rolling-mill sector of the steel industry. It makes reinforcing rods for construction, turns out bars and shapes for manufacturers, makes fence posts, grinding balls, structural tubing and many other items.

In Burlington the investor can buy into a basic industry at an attractive level in relation to earnings, dividends and assets. Selling around 14½, the stock pays 25 cents quarterly plus an extra of 25 cents, indicated yield 8.7%. Net current assets at March 31, 1957, were $2.6 million applicable to 280,000 common shares. There are no bonds or preferred stock.

The relative smallness of the company may explain price of the stock, which is not an active trader. It is, however, an opportunity to buy values.

Bralorne

Is Bralorne looking any better? Can the gold shareholder have any hope?—K.G., Windsor.

Bralorne is a rich and lively property, the outlook for which is continued good profits, unless there is a further deterioration in the labor situation. The mine has not been able to carry on intensive development for several years but is now making up for lost time. Development is being carried to greater depths and is showing favorable results. The company at the end of 1956 had ore reserves of 611,000 tons, grade $26.25 per ton, or substantially higher than the average of $16.21 a ton reported for the 131,662 tons handled last year when net profit was only seven cents a share. There are outstanding 1,247,000 shares. Net liquids at the end of the period were approximately $2.4 millions so current market valuation is not putting a high price on the position and prospects of the property.

The market valuation reflects investors' apathy to the gold shares. This is understandable in view of the position of the yellow-metal industry, which is being ground between the upper millstone of rising costs and the lower millstone of a fixed price for its product. To make matters worse for Canadian gold producers, the government bases the price it pays for their production on U.S. currency, which has been running at a 5% discount.

From time to time, newspapers short of copy run stories in a hopeful mood about gold. It is, however, a fact that no move to upvalue gold is likely to be made while inflationary forces are still strong. The world once used gold for currency and the gold standard was the highest any monetary unit could attain. But times change and the modern world is demonstrating that it can get along nicely without the yellow metal. It's hard to say what price gold would command if it were not for U.S. backing and that country's persistence in paying people to dig the metal out of the ground so it can bury it under Fort Knox.

But before the gold shareholder reaches for the prussic acid, he might note that gold has persisted for a long time and will probably endure for many moons before curling up at the toes. In the meantime, gold mines with a good margin between recovery and costs—such as Bralorne—may flourish. And as long as they can keep their heads above water, there's always a chance of the scene being enlivened by fresh discoveries. The old saying, "While there's life, there's hope," is nowhere more applicable than to the mining of the yellow metal.

Steep Rock

What is the reason for Steep Rock stock not declining in proportion to the reduction in Canadian iron ore shipments this year?—E.C., Montreal.

Although overall iron-ore shipments from Canadian mines this year are down, Steep Rock is an exception. Its shipments are ahead of 1956 and there is a reasonably good chance that 1957 will see it check out 3.5 million tons versus 3.2 million tons in 1956.

There are many factors in Steep Rock's outstanding production performance.

Among these factors are grade, location and the identity of its principals with U.S. industrial operations. Only a spotting of Atikokan on the map — a relatively short distance west of Port Arthur and Fort William — is required to point up its geographical advantages in relation to the American steel industry clustered around the lakes.

Besides the foregoing, there are the dividend and growth prospects of Steep Rock. The company has yet to make a distribution to shareholders but prospects are improving each year. In hand is an expansion of tonnage on its own account while progress is being made by Caland Ore, a subsidiary of Inland Steel, on its project for extracting ore from a leased section of the property.

German and American steel interests have manifested great interest in this country as a source of iron ore. Marginal properties are being developed with a view to processed ore — or concentrates — being shipped from them. Steep Rock mines and ships without further treatment an ore which can be fed directly into the blast furnaces of the steel industry, although the company is installing a concentrator. This is, however, only for the purpose of enabling the economic recovery of low-grade ore which must be removed in the course of open-pit mining the high-grade body.

Powell River

Is there anything to explain the relatively robust performance of Powell River stock in the face of some darkening of the outlook for the paper companies?— J.H., London, Ont.

Your questions may be answered in a general consideration of the position and outlook for the Canadian pulp and paper industry of whose operations Powell River represents a fair cross section.

Industry operations will this year show a decline for the first time in the 10 years during which it has effected a 45% increase in capacity.

It looks as though the bloom is off the rose but before the shareholder starts thinking in terms of a possible recession in the industry, he ought to take a long, hard look at it.

It is true that earnings were down sharply last year and that the industry probably faces overcapacity in America for some years. But this may not be as bearish as it seems. After all, what line can show growth without interruption? And the somewhat slower pace of operations in store for the papers may not mean a corresponding reduction in earnings.

The 100% rate at which the Canadian paper mills were running did not necessarily mean corresponding profits. The best economic rate for a mill may not be

The Cobbler's Children...

Remember the cobbler who hadn't time to mend his children's shoes? Some people find themselves in a similar position with their investments. Busy at work, they haven't time to attend to personal matters.

We can be of assistance to such investors by providing them with a record of their investments showing the essential particulars of each security and, where desired, suggestions for improvement in security, income and appreciation.

This is one of our services. If you would like us to do this for you, simply telephone our nearest office.

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THE ROYAL BANK OF CANADA

Dividend No. 280

Notice is hereby given that a dividend at the rate of **fifty cents** per share upon the paid-up capital stock of this bank has been declared for the current quarter and will be payable at the bank and its branches on and after Tuesday, the 3rd day of September, 1957, to shareholders of record at the close of business on the 31st day of July, 1957.

By Order of the Board.
K. M. SEDGEWICK,
General Manager.

Montreal, Que., July 16, 1957.

ROYALITE

ROYALITE OIL COMPANY, LIMITED

COMMON STOCK DIVIDEND NO. 75

NOTICE is hereby given that a Dividend of Six and one-half cents per share has been declared on the outstanding Common Shares of the Company, payable September 1st, 1957, to shareholders of record at the close of business on August 16th, 1957.

By Order of the Board
K. S. C. MULHALL,
Secretary Treasurer

Calgary, Alberta
July 25th, 1957

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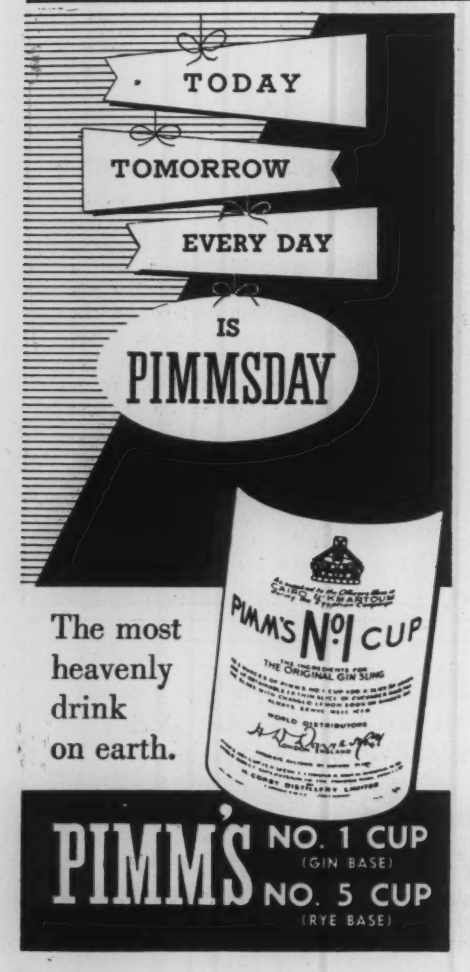


ALUMINIUM LIMITED

DIVIDEND NOTICE

On July 17th, 1957, a quarterly dividend of twenty-two and one-half cents per share in U.S. currency was declared on the no par value shares of this Company, payable September 5th, 1957 to shareholders of record at the close of business August 5th, 1957.

Montreal *JAMES A. DULLEA,*
July 17, 1957 *Secretary.*

NOTICE OF DIVIDEND No. 47

United Grain Growers Limited

Class "A" Shares

Notice is hereby given that the Board of Directors has declared a dividend at the rate of 5% on the paid-up par value of Class "A" (Preferred) Shares (par value $20.00 each).

This dividend will be paid on or about September 1, 1957, to holders of such shares of record at the close of business on Wednesday July 31, 1957.

By Order of the Board.

July 29, 1957, D. G. MILLER,
Winnipeg, Manitoba. Secretary.

100% since such a rate may mean that costly overtime and other excessive expenses are being incurred in order to keep up with productive demands.

Pulp and paper industry factors look for a seasonal pattern of production to develop more or less in line with the peak advertising seasons — spring and fall. This would mean the mills wouldn't be so busy in the summer and winter.

Such a pattern of production, if steady, might actually mean some improvement in the newsprint companies' costs which could be applied to offset a reduction in sales.

Two other factors are worth consideration by the shareholder.

The first of these is the possibility of higher prices for newsprint. A precedent for this is seen in the recent boosts in steel notwithstanding the industry's current excess of capacity.

Secondly, the pulp and paper shareholder should not forget that the Canadian dollar may not permanently be at a premium in terms of U.S. currency. Since this country's mills sell much of their output in the U.S., they have considerable to gain from a return to parity of U.S. currency, now at a discount of 5%.

There has been a certain amount of hue and cry about the possibility of the papers repeating their dismal performance of the 30's in the event of a recession in advertising, of which there is so far no indication. The situation financially is somewhat different today. Some of the paper companies in the 30's got into trouble over their bonded indebtedness, which has since been whittled down.

The foregoing is the general background against which Powell River should be appraised, rather than the 25% decline earnings it experienced in the first six months of 1957. Increased production costs and the higher discount on U.S. funds were partly responsible for the lower showing.

Eastern M & S

What are the chances of Eastern Mining & Smelting, which has taken a $5 nosedive from its 1957 high of $7.70 a share? —K.H., Toronto.

Vested in Eastern M. & S. is a project for constructing a metal-making plant at Chicoutimi, Que. This would be based on power developed by a subsidiary company and on nickel-copper ores from properties of the company, and associates, as well as on custom ores.

Naturally, there has been some lessening of the company's prospects as the price of copper has declined. The red metal has skidded from around 50 cents a pound a couple of years back to 28 cents. Some industry factors feel the end is not in sight, that the U.S. government will, in fact, have to step into the copper mar-

ket to support it. This seems to be an excessively pessimistic view.

The company has been attempting to raise finances for the refinery project and the terms upon which the money can be obtained will importantly influence the worth of the common-stock equity. The power phase is under the wing of the subsidiary Smelter Power Corp., which has completed construction of a 40,000 kva-capacity generating plant.

Eastern has negotiated firm contracts for the sale of a minimum of 15 million pounds of metallic nickel per year, of which about one-third has been sold to European buyers at premium prices for the first five years of operation. Since the Eastern project was first broached, International Nickel has decided to go ahead with its Moak — Mystery Lake development in Northern Manitoba and this assures that scarcities of nickel, which have produced premium prices, won't continue for too many more years.

No difficulties are anticipated in raising the additional funds required to complete construction of the nickel refinery and copper smelter at Chicoutimi, shareholders of Eastern were told recently by company officials.

President J. Bradley Streit and Vice-President Andrew Robertson said contracts for the sale of nickel alone will provide sufficient revenue for the retirement of the proposed senior financing. Approximately $30,000,000 will be required to complete construction.

It is planned to bring the company's Gordon Lake mine in the Kenora district of Ontario in production coincident with completion of the smelter.

Anglo-Huronian

Would you care to discuss the position of Anglo-Huronian for a constant reader?—O.B., Toronto.

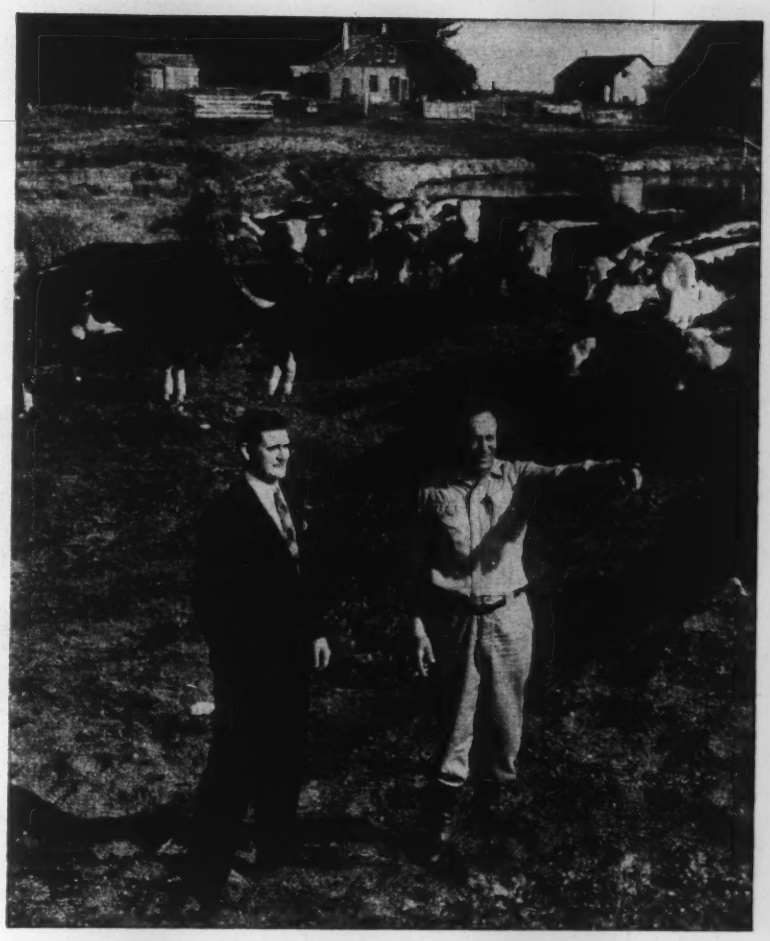
Anglo-Huronian is a holding and operating company interested in financing mining prospects. The company's principal holding is in Kerr-Addison Gold Mines, Canada's largest gold producer. This interest is the equivalent of 0.78 of a share of Kerr for each outstanding share of Anglo, which had net earnings of 69 cents a share for the year ended July 31, 1956, versus 68 cents the previous year.

A considerable part of the company's outside interests is via its exploration subsidiary, Prospectors Airways.

Cons. Discovery

Have you any opinion on Cons. Discovery?—R.J., Peterborough.

Operating a gold property distinguished by high grade and its remote location, Discovery in 1956 earned 26 cents a share—2.7 million shares issued. Operations involved feeding 42,000 tons of ore



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to the mill and the company at the end of the year reported ore reserves of 149,332 tons. The property in the Yellowknife camp has been opened to 2,750 feet, lowest developed level at 2,150 feet. Plant is capable of carrying operations to 4,000 feet.

Market valuation, reflecting the hope of continuance of development results in keeping with past experience.

In Brief

What is the position of Durham Explorations?—D.W., Winnipeg.

Being scaled down on a one-for-five basis so as to enable further financing; changing its name to Consolidated Durham Explorations.

When does Quebec Lithium's tax-free period expire?—M.R., Quebec City.

Aug. 1, 1959.

How does Lake Cinch turn its ore into money?—M.V., Ottawa.

It ships it to the Lorado mill.

What happened to Rare Earth Mining Co.?—C.W., Calgary.

Reshuffled into Amalgamated Rare Earth, basis one new for each four old.

Has East Amphi any hopes?—N.A., Toronto.

Retaining its gold property and hoping to catch a nickel or iron prospect.

Is Duvex active?—B.J., Buffalo, N.Y.

Holds properties in Chibougamau, Lorrain Twp. and elsewhere. Plans drilling for Lorrain.

Is Delnite succeeding at depth?—C. E., Edmonton.

Delnite has reported in with a grade of $12.93 per ton and an average width of 6.2 feet on the deepest level. This is encouraging.

Any change at Sylvanite?—G. C., Hamilton.

Sylvanite is purring along at about the same rate as last year in its Kirkland Lake operation. Brightest current prospect appears to be attached to an interest in Le Moyne Ungava Mines, which is working in the Ungava nickel district.

Any hope for Buffaddison?—W. J., Halifax.

There's still life.

What is the position of Senator Rouyn? —G. B., Quebec.

Plans participation in work for 1957 on nickel ground in Manitoba.

What do you think of the Javelin deal? — K. R., Quebec City.

It's too soon to assess its significance to the Javelin company but it is certainly an improvement for it.

David Menzies

Modern Medicine Man

It was a terrible blow when he was asked to leave medical school. Now he knows it was one of the "luckiest breaks" in his life.

When David Menzies waited on tables and did janitor work in the evenings for eight years during the early 1920s he had only one wish—to become a doctor. Enrolled at the Medical School of McGill University, he worked an average of six hours a night to eke out enough for room and board. But the gruelling schedule proved to be too demanding and Menzies was obliged to leave the course for one year to re-instate his finances and his health.

Despondent and bitter, Menzies got a job with a Montreal pharmaceutical manufacturing company as a professional service representative (salesman). That was 23 years ago, and now as President of Mead Johnson of Canada Ltd., one of the nation's leading pharmaceutical manufacturers, he looks back on what was then a terrible blow, as one of the luckiest breaks in his life. "I learned something from that experience that I'll never forget. A failure may often be a blessing in disguise, although few of us ever realize it at the time."

At 52, Menzies claims he is happy—and looks it. Tall, (6′ 1″) and greying, he is conservative both in dress and manner. His deep voice echoes authority, yet his personality is enriched by a sincere quality and a goodly dash of humor which tends to give one the impression he is always at ease.

Actually he starts his day at 7:15 a.m. when he leaves his home in the Kingsway section of Toronto for the 20 minute drive (in a '57 Oldsmobile) to his office in the new Imperial Oil Building. For the next nine hours Menzies is kept busy by management details involving a staff of 150 people, 25 sales representatives and a 5,000 sq. ft. manufacturing plant in Belleville, Ontario where formulas for Pablum and 41 other pharmaceutical products are mixed and packaged.

Son of a missionary family, David Livingstone Menzies was born at Rath, India in 1905 where he received his secondary school education. After passing his senior Cambridge Matriculation examinations Menzies' parents decided to send him to Phillips University in Oklahoma City where he had relatives. Completing two years at Phillips, he switched to Wichita University in Kansas where he graduated with a B.A. (Sc.) in 1932.

After sending away six enrollment applications for entrance to medical school, Menzies decided on McGill, and in the fall of that year he moved to Montreal, "found a nice room at the Y.M.C.A., a job as elevator boy in the building, and a cheap restaurant".

After leaving McGill and securing his job as salesman, he found great fascination in the pharmaceutical industry and did his best to learn the principles of production, laboratory procedure and sales.

Three years later he joned Laboratoire Poulenc-Frères as a medical services representative helping to introduce a new product, sulfa-pyridine, to the medical profession in Western Canada.

In 1939 he accepted an offer from the Ciba Co. of Canada Ltd. to serve as the company's representative in the Prairie Provinces. He had only been on the job five months when he left and joined the army as a private in the Medical Corps. A year later he received his commission and served as Lieutenant - Bacteriologist with No. 10 Canadian General Hospital in France, Belgium and Holland. He dismisses his wartime duties lightly — "We never saw any shooting or suffered damage at the hospital, we only *heard* what was going on in the front lines".

After being discharged in 1945, Menzies returned to the Ciba Co. and within a matter of months he became manager of the pharmaceutical division in Montreal. A series of rapid promotions led to general manager of the division, and one year later, in 1948, he became assistant general manager of the company's entire operation in Canada.

In 1953 he left Ciba to take over as vice-president and general manager of Mead Johnson which was in the process of re-organizing its Canadian operation. Two years ago Menzies was appointed president of the company. During his term as president he has streamlined operations, boosted sales, and cut operations costs. His great hope is to see the day when the Canadian company will be able to sustain a research plant. "Do you know that in the last five years our parent company in the U.S. spent over $5 million on research alone?"

During leisure hours in the evening and on week-ends Menzies enjoys playing with his three daughters, reading, shooting pictures with his Exacta camera or doing a little fishing and hunting —"a habit I picked up in India". Many of his evenings are taken up by matters and meetings of the Canadian Pharmaceutical Manufacturers' Association of which he is president. The Association represents the 60 leading pharmaceutical manufacturers which have a sales volume of approximately $100 million.

Menzies' impact on the industry was recently referred to at a CPhMA convention when the speaker said, "Dave Menzies has that valuable facility for long-range planning which, combined with his analytical mind, has produced many favorable and effective results for his company and the industry. During his tenure as president of CPhMA, he has accomplished much for Canada's pharmaceutical manufacturers." The speaker was Mr. Gordon Gray, President of John Wyeth & Brother (Canada) Ltd.—a formidable competitor.

Your Taxes

by Garfield P. Smith, CA

Capital Gains

I am a member of an investment club which has been in operation for several months. We have recently sold one of our investments at a profit, and are not certain as to whether such profit must be brought into income for tax purposes or whether it is exempt as a capital gain.—R.S.D., Edmonton.

The question of what constitutes a capital gain is one of the items most frequently contested before the income tax appeal board. It is quite possible for example, for an individual to have sold several securities and to have the resultant profit taxed as income on some of the sales and to have the profit on other sales classified as capital gains, and therefore exempt.

In many cases, the Appeal Board attempts to determine (a) the reason for acquiring the investment, (b) the reason for holding the investment and (c) the reason for selling the investment. Where it can be shown that the securities were held purely for investment purposes, and that any sales made were made purely for the purpose of improving the investment portfolio, profits realized under such circumstances would, in all likelihood, be exempt as capital gains. The fact that the investments were made by a club, rather than by an individual, would not normally in itself, give rise to a tax liability.

Death Benefit

My husband, who held a responsible position with a large corporation, died several months ago. After his death, the company continued to pay his salary to me, and will continue to do so for one year. Must I now file an income tax return and pay tax on the amounts received?—Mrs. W., Toronto.

The Income Tax Act provides that amounts received as a death benefit must be included in income for tax purposes. However, it defines a death benefit as the amount or amounts received in the year upon or after the death of an officer or employee which is in excess of his remuneration for the last ninety days of his office or employment. Thus, an amount equal to ninety days' pay will be tax free, but the remainder will be required to be included in income in the year of receipt and the tax computed accordingly.

There is an alternative method of computing the tax on a death benefit, and calculations should be made both ways in order to determine which method results in the lower amount of tax. The alternative method is to determine the ratio of the total of your husband's taxes otherwise payable for the three preceding years, to the total of his income for those three years, and apply that ratio to the amount taxable. For example, if your husband's total tax for the three preceding taxation years was $4,500.00 and his total income for the same years was $30,000.00, then the ratio would be 15%. If 15% of the death benefit is less than the amount of tax you would otherwise be required to pay, then you should compute your tax accordingly.

It should be noted that the special rate of the tax is based on your husband's income, and not on his taxable income. The distinction is important, and to your advantage.

Non-Resident Investors

One of the Conservative proposals about taxation of risk capital has been that the Canadian investor is at a disadvantage compared with a foreign investor on income from investments in Canada and that this inequity would be amended under new legislation. I would be grateful if you could tell me (a) how Canadian investors are at a disadvantage as compared to foreign investors under the present law and (b) how the inequity will be corrected under the proposed legislation.—J.E.L., Winnipeg.

There are many provisions in the Income Tax Act dealing with the investment income of non-residents, and it is not practical to deal with every situation in a brief answer. Although we do not know specifically the type of situation you are referring to, we will mention some of the features affecting non-residents.

In many instances, a non-resident investor will be taxed at a *higher* rate than a Canadian investor. For example, there is a withholding tax of 15% applicable to many types of income paid to non-residents and although the non-resident may have incurred considerable expense to earn the income, he is not entitled to a deduction for such expenses nor is he entitled to a deduction for personal exemptions. Thus, if a non-resident borrowed money for investment in Canada, he would be subject to a 15% tax on the gross interest received, rather than on the net income remaining after the deductions of interest paid. Although the general rule is that a withholding tax of 15% is applicable to interest or dividends paid to non-residents, there are provisions where the withholding tax will be reduced to 5% or eliminated altogether.

Interest on bonds of a Provincial Government paid to non-residents is subject to a withholding tax of only 5% and dividends paid by a wholly owned subsidiary company to its non-resident parent can in many cases be subject to a withholding tax of only 5%. In the case of bond interest payable by the Government of Canada, there is no withholding tax, and where interest on other indebtedness is payable in a foreign currency to a non-resident, there is also no withholding tax. Further, there is normally no withholding tax on dividends paid by a non-resident-owned investment corporation.

Although the non-resident may in many cases, pay less Canadian income tax than a Canadian resident, he is still subject to the tax laws of his own country so that the total tax paid in the final analysis may not necessarily be less than that paid by the Canadian resident.

Co-operatives

Is a co-operative corporation required to pay income tax?—Y.E.C., Halifax.

A co-operative organization which qualifies as such under the technical requirements of the Income Tax Act, will not be required to pay tax on its income for each of the first three taxation years after commencement of its business. Income tax is payable thereafter. However, there are special provisions relating to the deduction of patronage dividends.

Some of the requirements which must be met in order to qualify for the three-year exemption are: (a) it must hold forth the prospect of patronage dividends to its members and customers; (b) none of its members must have more than one vote in the conduct of the affairs of the corporation; (c) at least 90% of its members must be individuals and at least 90% of its shares, if any, must be held by individuals; (d) the rate of interest on capital subscribed, or rate of dividends on its shares must not exceed 5% per annum; (e) at least 80% of its business must be carried on with its own members, and (f) the corporation must be a bona fide *new* co-operative and not a corporation formed to carry on a previous business operated by a corporation which has substantially the same ownership as the new corporation.

Insurance

by William Sclater

Boat Liability

What is my liability when I operate a motorboat? What insurance do you recommend? Is there a single policy that covers everything in one? What companies write it?—P.J., Winnipeg.

Department of Transport Regulations state no person shall navigate or operate any vessel, water skis, surf board or water sled, or other towed object, on inland waters carelessly or in a manner dangerous to navigation, life or limb.

There are two coverages concerned here. One is Personal Liability to insure your legal responsibility to the public at large. The other is to insure against damage to your boat by stranding, sinking, collision, theft, explosion, etc., and to cover your legal liability for damage to another vessel.

Outboard motorboats up to 18 feet are included under the Comprehensive Personal Liability policy. This is a policy designed to cover liability from personal activities, other than automobile and excluding business or professional acts, of an individual, spouse or other member of his household.

It does a lot more than cover the hazards of your liability where your outboard motor is concerned. If you have a swimming pool and a neighbor's child strays, you are protected with insurance. If a servant, "invitee" or guest sustains injury on your premises this coverage can also protect you. Cost of a standard policy with $10,000 inclusive limit is $7.50 for three-year period coverage.

These policies are available through companies like the Western and British America Group; Royal Insurance; Employers' Liability and many others. Your local agent can give you full information and the names of other companies writing this casualty line.

For the boat itself there are "All Risks" policies that specifically insure "Outboard Motor, Boat and Boat Trailer" for example, that include legal liability for collision damage to other vessels or structures, floating or otherwise, up to $500 or the amount of insurance on boat and motor, whichever is greater. Theft of parts, accessories or equipment of boat, motor or boat trailer is covered subject to a deductible of $10 on each claim.

For those who seek more extensive coverage than the simplified yacht form of policy used for outboards, there is "Protection and Indemnity" insurance. This can be written to cover motor boats, motor cruisers and sailboats, afloat or ashore, on a year-round basis in adequate limits for maximum emergencies. Claims against the boat "in rem" and against the owner "in personam" are covered by P. & I. This is "Wet Marine" in the colloquial parlance of the underwriters.

With a Comprehensive Personal Liability policy, which includes animals as well as water craft, incidentally, and permits saddle and draft animals to be included at a set rate, and also an additional residence, the boat owner is protected against the hazards of ownership and operation. Combined with the Outboard type of policy described he is well covered. In Canada, where we have far more fresh water areas than most other countries and water craft are becoming more popular every year, the rising rate of accident statistics make the need for coverage plain.

Rising House Values

We own our own home, bought at a bargain price during depression of the 1930's. *It is insured on "replacement" basis at present. Upon endeavoring to switch it to "depreciation" basis am told that in event of partial loss heavy depreciation would be imposed and we would probably only be able to collect 50% of the amount required to restore the building but that, under "replacement" basis we would be able to collect full cost of repairs; that in event of a total loss we would probably be able to collect full amount of insurance cover on "depreciated" basis cover. Would you kindly advise what percentage one would be able to collect under "depreciation" basis (a) in the event of total loss (b) if building only partially damaged.—N.A.McA., Westmount, P.Q.*

I can't understand why your agent has apparently advised you as you indicate. Replacement cost basis is now obsolete for dwellings. You should have it deleted from your policy. Under the new dwelling clause you get the "Optional Settlement" clause substituted in its place.

Under the Optional Settlement clause, if you insure to at least 80% of replacement cost of like kind and construction, then adjustment of any loss would be on a replacement cost basis without any deduction for depreciation.

If you insured to only 50% of what it would cost to replace of like kind and construction then the loss would be adjusted on the basis of the actual valuation of the house on the day of the loss (in other words the depreciated value of the house).

The purchase price of your house has no bearing on present-day values. As you say, you purchased the dwelling in 1930 as a bargain. Depreciation, if any, would depend on maintenance and upkeep of your dwelling. If it is well kept and maintained the values have increased, since 1930, on a basis of 350% on a frame building and 300% on a brick building.

Unsatisfactory Experience

My experience with the company I insured with was most unsatisfactory and unjust. I took out a hospital policy April, 1946. *In* 1950 *they notified me they had cancelled it as I had had two slight heart attacks. As I had no maid at the times there was nothing for it but to go to this hospital. As Insurance Companies are under Government supervision to a certain extent I feel I should have reported it as they took me on without a medical examination and probably wouldn't have found anything anyway.—E. J., Fergus, Ont.*

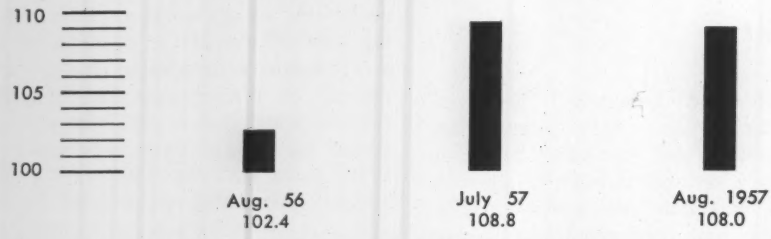
Please do not hesitate to report anything you think is out of line to the Superintendent of Insurance. Actually what happened to you is what has happened to many people who have suffered a heart attack. The basis of underwriting for this type of insurance does not allow much leeway for people who could be seriously incapacitated. It would raise the rates and costs to other people too much so, as the insurance is written only for a fixed term, with cancellable option that is what happens. Actually the new policy for uninsurables referred to on July 20, was devised to meet the needs of just such risks. The rates of course are higher.

Low Fire Rates

You say rates for fire insurance are low today. How do they actually compare with a period like 1946 *when the wartime prices and trade board rulings were still in effect?—N.H., Barrie, Ont.*

Costs have gone up tremendously in all lines and costs of insurance management, administration and operation have gone up like everything else. The only thing that hasn't gone up is the insurance rate. It is actually lower today than it was ten years ago. While experience varies, one big group operating in Canada, the U.K., the U.S., Australia and other countries had an average fire insurance rate of 73 cents per $100 of insurance in 1946. The same group of companies have an average fire insurance rate of 39 cents per $100 of insurance in 1956. Actually the basic rates are probably too low.

Saturday Night Business Index for August



	Unit	Latest Month	Previous Month	Year Ago
Index of Industrial Production (Seasonally Adjusted)	1935-39 =100	288.3¶	291.0	278.9
Retail Trade	$ millions	1,293.9†	1,227.3	1,272.7
Total Labor Income (Seasonally Adjusted)	$ millions	1,259¶	1,266	1,166
Consumer Price Index	1949=100	121.6‡	121.1	117.8
Wholesale Price Index of Industrial Materials	1935-39 =100	241.1‡	242.3	248.5
Inventory, Manufacturing Industry (Held & Owned)	$ millions	4,798†	4,777	4,342
New Orders, Manufacturing Industry	$ millions	1,854†	1,763	1,852
Steel Ingot Production	1000 tons	425.3‡	417.3	435.4
Cheques Cashed, 52 Centers	$ millions	18,859†	17,970	18,290
Imports for Consumption	$ millions	557.4†	540.2	550.0
Exports, domestic	$ millions	445.4†	372.8	435.3
Contract Awards (MacLean Building Reports)	$ millions	341.8‡	271.5	392.2

¶ April † May ‡ June

by Maurice Hecht

THE INDEX of industrial production has been steady for about a year. Retail trade in dollar volume this year is 6.6 per cent higher than last year—a gain bigger than the price increase. The only lower retail group is lumber and building materials. Cheques cashed, the indicator of money turnover, show a 3 per cent rise in dollar volume from last year.

Significantly, labor income has dropped for the first time in more than two years. Industrial employment is higher, as is general employment, but work hours per week are lower. In manufacturing, the drop is to 40.6 hours a week from 41.11 hours last year.

The consumer price index has risen steadily to 121.6 from 117.8 a year ago. The general view is that no relaxation can be expected. This would mean more inflation.

On the other hand, one sensitive wholesale price indicator, that of industrial materials, has been tumbling since January. Charts of recent years show the lag between wholesale and retail price movements ranges from between one to two years. This could indicate a fall in the consumer price index about next summer.

New orders for manufacturing industries have been rising encouragingly in recent months after a sharp tumble at the end of 1956. The current level is on a par with a year ago. Inventories have levelled off after climbing steadily since the fall of 1955.

Dividends this year have been running about 10 per cent higher than last year. This, however, is probably a hangover from last year's high earnings. Profits before taxes for all Canadian corporations in this year's first quarter were 3.8 per cent lower than in the first three months last year.

Construction is still down. But the 14 per cent drop in contract awards for the first half of 1957 is a great improvement over the drops recorded in the earlier months this year. A significant fact here is the mid-year review of capital investment plans that show an increase over earlier estimates. The total has been increased 4 per cent with housing showing a 5 per cent jump.

Which way do these factors indicate our economy is likely to go? There is strong evidence that our economic graphs will soon be punching upward. ▲

Parliament

CONTINUED FROM PAGE 9

that parliamentary government can survive with committee staffs. To this day the Public Accounts committee in the United Kingdom works closely with Treasury officers assigned to it and these officials, while not on the staff of the committee, nonetheless act a good deal of the time as if they were. One British authority recently described them as "the permanent Treasury witnesses" before the committee.

Finally we need to explore the possibility of giving the opposition a much larger voice in deciding what subjects are to be selected for committee inquiry. The standard Canadian practice too often consists of the government keeping a two-handed stranglehold on committee work through the chairman and the majority on the committee, while the opposition follows up every opportunity that promises to show the Canadian people that they have put their trust in men who are stupid or dishonest, or both.

Neither of these practices is an indispensable part of parliamentary government. Improbable as it seems today, we once had a leader of the opposition who was chairman of an important committee for two consecutive sessions. But the Canadian House of Commons has never really accepted the notion that a committee chairman, within the committee's powers, is almost as important as the Speaker is within the powers of the House. And we have virtually lost sight of something which was grasped quite clearly at Confederation and for years thereafter: that Parliament has an existence of its own, independently of the cabinet and of political parties.

If Mr. Diefenbaker is sincere in his expressed desires to put Parliament on its feet (and there is no reason to doubt it), and the Liberals are prepared to use the extensive knowledge of government which they ought to have after their long run in office, we have an unprecedented opportunity to do something about Parliament. What have the Conservatives got to lose during at least the next year or two by giving the other parties a completely free hand in selecting, say, the topics to be examined publicly by the committees on the Public Accounts and the Estimates? It would be a Liberal record, not a Conservative, which received a going-over and perhaps the topics which the Liberals avoided selecting would provide helpful guides to matters which really need a public airing.

The attitudes of the parties, of course, will be the chief factor in determining whether this sort of thing is anything more than idle and idealistic theorizing. Although a few Liberals in recent years have been penetrating critics of Parlia-

ment, more have held that Mr. Diefenbaker's parliamentary issue is a fake, and they will not want to admit now that he was right. Actually there is no necessity for them to admit anything. All that is needed from them is a serious and conscientious opposition. It is tolerably plain, indeed, that they are potentially a brilliant opposition, so well-informed about so much that if we could count on a similarly knowledgeable opposition from now on the reform of Parliament might become a purely academic problem. But the Liberals have not yet had a chance to show, on the side of the House where it matters, how well-informed they are on the functions of an opposition.

One thing is certain: a genuine rehabilitation of the House of Commons will require backbenchers on both sides to work as backbenchers have never worked before. There is an ancient tradition that a member of parliament holds only a part-time job. At $10,000 a year, few Canadians who are not backbenchers are likely to object to getting full-time service now.

Equities

CONTINUED FROM PAGE 13

Company	*Dividend Rate*	*Yield*
Abitibi	1.70	5.33%
Aluminium	.90	1.95
Asbestos Corp.	1.00 plus .60	5.16
Bell Telephone	2.00	4.92
B-A Oil	1.00	1.82
Can. Bronze	2.00	6.67
Can. Celanese	.60 plus .15	4.76
Dom. Foundries	1.00	3.05
Dom. Stores	1.25	2.38
Ford of Can. A	5.00	4.88
Goodyear Tire	4.00 plus 2.00	3.06
Harding Carpets	.60	9.23
Labatt	1.20	6.32
Maple Leaf Mill.	.50	6.56
Massey-Harris	.40	5.33
Ontario Steel	1.00 plus .50	6.12
Price Bros.	3.00	5.55
St. Lawrence Cp.	1.00	6.30
Tamblyn	1.20 plus .70	4.75
Zellers	1.20	3.75
Aunor Gold	.16	8.65
Calgary and Edmonton	.10	.29
Dome Mines	.70 plus .05	6.00
Gen. Petroleums	.20	3.51
Macleod-Cock.	.10	9.26
Lab. Mining	.50	2.35
Madsen Red Lake	.10 plus .05	9.38
McIntyre Porc.	2.00 plus 1.00	2.87
Noranda	2.00	4.08
Quemont	1.20	9.60
Royalite Oil	.26	1.30
Waite Amulet	1.00	13.33

Mace symbolizes authority.

Bath Club

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Cunningly, however, the club does not insist on a stringent adherence to sauna rules. For instance, you can stay in the bath only a few minutes at first if you want to, and this is very pleasurable. Then, outside in the showers, a deft, unseen twist of the hand assures you a lukewarm shower instead of a cold one.

Next stop from the showers is the massage room. At this stage, most extremely tense people fall asleep. One well known CBC producer, who swore he had only 10 minutes when he arrived at the club wound up fast asleep on the massage table and stayed several hours. So did a public relations man who told club personnel: "I'm so nervous some people think I'm crazy—and maybe they're right."

For those who want it, there is a well-appointed gym to be used before or after the bath. It has rowing machines, weight-reducing vibrators, walking machines, stationary bicycles and all the rest of the torture chamber paraphernalia for blasting away fat and tautening muscles.

Health, in the Excelsior Club, is the prime object. Each month, every month, every member gets a going over from the staff physiotherapist, who recommends special training if necessary. He also works with doctors to supply special treatments, from cabinet sulphur baths to diathermy.

Yet despite its lush broadloom, sweet music (played on hi-fi downstairs and piped up), despite its excellent appointments and careful attention to detail, the best thing about the Excelsior Club is the fact that right outside its windows the screaming, insane racket of Yonge street flows past, emphasizing it as a haven for the harassed and yet reassuring them that, if business calls, the office is not far away.

Gagnier

CONTINUED FROM PAGE 15

Television is Miss Gagnier's bread and butter at the moment and she is too much of a professional to knock it.

But it is plain that her heart belongs to opera. Her favorite role is Mimi in *La Bohème;* her favorite composer, Puccini. She is not stuffy about opera. She admires what Rudolph Bing has done to lighten the productions of the Metropolitan Opera in New York.

Her own attack on a role is apt to be respectful but light, gay and daring. She admires Giancarlo Menotti's attempts to interpret contemporary *mores* in musical terms and gave a delightful performance of *The Telephone* at the Mountain Playhouse in Montreal last summer.

"I loved doing that," she said. "A good live audience in a small theatre. And a nice bit of music to romp around in—it was fun."

On the subject of opera in Canada and the opportunities available for young Canadian singers she simmers down.

"Oh, yes!" she said earnestly, "there certainly should be a National Opera Company and a National Opera House. The singers are here, lots of them! But there is no place for them to perform, nobody to set professional standards, no really Canadian setting for them. They have to go away to study and gain recognition. It's too bad."

Miss Gagnier's own professional plans do not go, at the moment, beyond her present TV commitments, *Don Giovanni* this summer and such concerts and incidental work as may offer.

But she indicated that she has her eye on Europe and the U.S.A.

"It's difficult to say anything about such matters at the moment," she said. "But I would like to go to Europe for a while, maybe just on a visit. Afterwards, who knows?"

Summer Song

by Hilda Kirkwood

When I am saturate
With hum of beetle and bee
Lulled by elm green
And soothed with summer
Contentment fills blue channels lacing me
And peace invades my body's continent.

August pelts me with apples,—
On my brain cicadas scrape
The high incessance of the song
That summer sings—pitched to a shrill
complaint.
The day, poised round and still
They desiccate.

A Voyage to Acadie

CONTINUED FROM PAGE 17

first European settlement north of St. Augustine in Florida.

The Annapolis Valley will always remain in my memory as one of the most soothing pieces of countryside I have ever visited. This 65-mile valley, from Annapolis Royal to Wolfville, seemed to average about five to ten miles in width along its length, and lies between sheltering wooded hills that rise no higher than 850 feet. It is a countryside dotted with pleasant towns and villages, its trees deciduous, its marshes tidal and its highways paved but narrow.

Such Valley towns as Bridgetown, Middleton, Kingston, Berwick, Waterville and Kentville might have been transported whole, red-brick post-office to white-painted wood houses, from Southern Ontario, New York's Mohawk Valley or Vermont. The tidal flats around Annapolis Basin, the Annapolis River and Minas Basin are held in check by stone and earthen dikes, and on the sand beaches at the river mouths the clam-diggers can be seen at low tide.

Most of Nova Scotia, away from the sea, resembles the Northern Quebec and Ontario bush country. My favorite spots are Chester, with its isle-studded bay; Liverpool; the Cape Breton Highlands, with the cliff-girdling Cabot Trail; the rolling farm country around Truro, Stewiacke, and New Glasgow; and of course the Acadian country.

In the 12 years since seeing Halifax last, it has changed in itself, but changed more in my mental picture of it. I had forgotten how many parks and tree-lined boulevards there were on its streets, how hilly it is, and how friendly and small-townish it appears to the visitor from the curt snobbery of Ontario.

Since my last visit, Halifax has thumbed its nose at the drys, and if Angus L. Macdonald did nothing else he should be remembered with gratitude for the introduction of taverns. These welcome oases are patterned more on those in Quebec than Ontario, and work on the Code Napoleonic premise that mama's drinking should be done either in the home or in a restaurant after she has bought 50c worth of food. The taverns—some which have swinging doors—open at 10 a.m., close between 6.15 and 7.15 p.m., and close for the day at 11 p.m. They are clean, well-conducted, plentiful in the downtown area, and a credit to somebody's common sense.

The old yellow trams (that celebrating sailors used to rock fore and aft) have been replaced by an excellent yellow trolley bus system. The main street, Barrington, has stop lights on only one corner yet, and motor traffic (though they talk about "traffic jams") reminds one of Upper Canadian cities twenty years ago.

The Angus L. Macdonald bridge, that is carried on its cables across the harbor to Dartmouth, is Halifax's pride, and allows anybody (for a toll of 40¢ in an auto or 10¢ on the bus) to peer straight down into the Naval dockyard and the funnels of the Canadian Navy's assembled ships.

Nearly all trains in the Maritimes (especially in Cape Breton where the coal comes from) are now dieselized, following the plans of Canada's railroads to introduce diesel engines on the coasts and work towards the middle of the country. The CNR runs three mainline trains into the province, The Ocean Limited, The Scotian and The Maritime Express, and the CPR has its Atlantic Limited to Saint John and the DAR Evangeline from Yarmouth and Digby to Halifax.

Artists still love Peggy's Cove.

Cape Breton Island, which is an island no longer since the mile-long causeway across the Gut of Canso joined it to the mainland, has some beautiful scenery, both along its shores, the shores of the Bras d'Or Lakes, and in the Highlands with their 1,500-foot hills and plateaus. The coal towns such as Sydney Mines, Florence, Reserve Mines, and New Aberdeen are rural slums, mute evidence of man's inhumanity to nature, but showplaces such as Ingonish and Keltic Lodge are travel posters come true. A young Chinese from Montreal said to me in Sydney, "Keltic Lodge to me is God's country," and I had to agree with him.

The Isle Royal Hotel in Sydney is one of the finest small hotels in the country. It is the only hotel I ever stayed in ($5 a night sans bath) which supplies each guest with a "housewife" consisting of buttons, thread, straight pins, safety pins, needles, and even a candle. I was almost sorry that the lights stayed on, and my clothes developed no rents or separated themselves from their buttons.

Nova Scotia has every kind of resort and scenery for every kind of tourist. The historically-minded could spend weeks alone in Halifax, taking side trips to towns and settlements more than 300 years old. I failed to see any signs reading, "Lord Nelson Slept Here" although, along with Captain James Cook, he spent some time in the city. Those old familiar names from the Sixth Grade history books come to life in Nova Scotia: Generals Wolfe, Cornwallis, and Howe, and enough other famous names to fill a prairie park with statues.

There is Wedgeport for the tuna fisherman, and a hundred harbors for the pot-luck deep sea angler. Inland there are scores of fresh water lakes and streams. The guide book tourist can take in the Gaelic Mod at St. Ann's, Cape Breton, or watch the ever-hopeful efforts to dig up Captain Kidd's treasure on Oak Island in Mahone Bay. During the duck-hunting season the tourist can watch the "tolling dogs" of Yarmouth County enticing the ducks within gunshot range, or in any season he can visit such antiques as the Simeon Perkins House at Liverpool or the home of Thomas Chandler Haliburton, "Sam Slick", in Windsor. For the collector of American church architecture there are a thousand churches to look on and explore, from the Acadian church at Grand Pré to St. Paul's Anglican in Halifax.

For myself, I am a collector of odd minutiae, and am only slightly interested in the sanguinary struggles of Frenchmen, Englishmen, New Englanders, pirates, privateers and United Empire Loyalists. I like the afternoon smell from the fish wharves when the fishing fleet comes into port, the sight of a ship going through the new locks in the Straits of Canso, the passengers disembarking from the Port Aux Basque, Newfoundland-North Sydney, N.S. ferry, the beef cattle being fattened up on the salt marshes on Minas and Cumberland Basins, the large live lobsters in the window of the fish store near the Halifax-Dartmouth ferry dock.

I re-discovered the tranquility that comes from lying on a sea beach and watching the fishing draggers go about their work, or watching the station agents take in their green-and-white flag as the train pulls out of a hundred flag-stop stations. I like sitting in the Public Gardens in Halifax and watching the people watching the swans and their cygnets, or talking to two Micmac Indian boys who boarded my train at Grand Narrows, Cape Breton, on their way to a job cutting pit-props in the woods.

There is nothing very spectacular to see in Nova Scotia, but what there is is tranquility. In this day and age tranquility is a saleable commodity. It should be the Nova Scotia Information Bureau's stock-in-trade.

New Retirement Plans

CONTINUED FROM PAGE 18

or lesser degree as the possibilities that come within the orbit of the legislation are visualized.

Two principal developments are already very much in evidence. One stems from the Trust Companies and the other, as would be expected, from the Life Insurance Companies. One development opens the possibility of individuals and groups becoming shareholders in fixed income and equity funds operated by the Trust Companies. The other development is that of the Life Insurance Companies who stick strictly to their principle of rates and guarantee for both individual and group policies.

While there is much to be said for both, and there are distinct advantages and disadvantages on both sides, and also in the basic governing concept of "locked-in" funds itself, the healthy competition makes the plan selected a matter of individual choice based on the individual or group experience and beliefs.

Here, for example, is what the Canada Trust Company, one of the first in the field, is offering. They offer a choice of a fixed income or an equity plan. If you choose the fixed income deal, your contributions would be invested in bonds, debentures, mortgages and other fixed income securities which are legal investment under the Canadian and British Insurance Companies Act. Anticipated income from such high grade securities is estimated to yield over 5¾ per cent at current rates.

Under the equity plan, while governed by the same legal investment control, the investment emphasis would be on the common stocks of sound corporations. Anticipated yield, on present values would be about 4 per cent. There would also be possible capital gain or, (let us not omit the possibility) capital loss.

It is estimated, based on an anticipated yield of about 4 per cent, that an annuity of approximately $100 a month could be realized by monthly payments into such an equity plan or fixed income combination plan, by a man age 35 now, of $19.77 until he reaches 65 years of age, at which time an annuity would be purchased for him.

What the rates for annuities will be 30 years from now is open to debate. They were cheaper 30 years ago than they are now. Much will depend on the mortality tables. Cost of operation of the plans is limited to not more than ¾ of 1 per cent per annum.

Some Trust Companies are establishing a pool fund in which units of $10 or $100 can be purchased and into which payments can be made under flexible arrangements not limited to a particular amount at a particular time, though there are minimums. This is actually an investment-trust pension fund.

The buyers of these units redeem their interest at retirement age, when an annuity is purchased for them by the operators of the fund at whatever rates may then be prevailing.

The Montreal Trust are advertising a retirement savings plan through the Royal Bank. You pay into the account as you please during the year and up to Feb. 20th of the following year. The amount in your account bears interest at current bank rate until it is transferred to the Trust Fund.

A feature of such plans is usually the option of deciding what proportion of your contributions will go to fixed income investment or the equity in common stocks. All interest and dividends accruing to the fund are re-invested in it.

The Royal Trust, like the National Trust, have issued no booklets yet but are busily engaged in planning and are able to accept arrangements for plans. While all these plans may vary in some degree and particulars, these are the basic features of them. The Trust Companies claim their plans offer the best hedge against inflation with the possibility of good interest rate plus capital gain.

Life insurance companies approach the market from a very different basic viewpoint. They guarantee what you get and their actuaries set the rates at which they figure they can achieve these results without loss.

Consider, for example, the Crown Life Insurance Company. Their first move was to arrange for registration of insurance policies in force so that their policyholders could take advantage of the amendment in the act if they wished. At this point it is as well to mention that doing so means a life insurance policy, with its cash values and loan features, becomes a "locked-up" investment. You can't exercise these privileges any more.

While there is nothing in print yet the Crown Life are already writing both individual and group policies which will be eligible for registration.

One individual plan offering is a Life Income Bond. This is a policy which provides cash values. Under it a man age 35, by paying $34.34 per annum, which is less than $3 per month, can buy an annuity providing $10 per month at age 65, for life, and with a 10-year guarantee. The cash maturity value at 65 is $1,500.

There are variations of this plan. If you want to make your wife a contingent annuitant under it, so that she continues to receive the income if you die first, the return at age 65 will be $8.07 a month for the same premium. If you want to include a $1,000 death benefit insurance with it, the premium for the $10 a month unit will be $36.63 each year. You can buy as many bonds as you please.

The Crown Life recently signed up their first association group. This one, in the automotive field, and consisting mostly of retailers who were not previously eligible, will permit the members to buy retirement income on a more flexible basis than an individual can purchase. Under the group plan the payments can vary considerably from year to year. Partners in a law firm, for example, can buy more retirement income protection in a good year and ease up in a tight year.

Another feature of the insurance company group angle is that many of the pensions plans now in effect were approved for the employees but not for the owning partners. Arrangements can now be entered into through these known conditions and policies now in effect with particular life insurance companies.

Manufacturers Life have come out with a streamlined registered savings plan policy for individuals. The premium for each $10 a month payment at age 65, for a man now 35 years of age, is an annual amount of $27.31.

This policy has no cash values. In the event of the death of the policyholder before the policy falls due, his estate receives the amount of premiums paid in but no interest thereon. If he wishes to include his wife, on a joint survivor basis, the premium is the same, but the amount of annuity payable each month after age 65 is $7.95.

Another feature of the Manufacturers Life policy is that it may be purchased, in $10 a month units payable as annuity at age 65, for a single premium payment of $442 by a man 35 years of age now. In other words he pays a lump sum of $442 now and it comes back as $10 a month starting at age 65. If he elects the annuity to start at 60, he would get $6.44 a month for this premium. If he started it at 70, he would get $14.92 a month.

It should be remembered, in all these registered savings retirement plans, that the money is "locked in" once committed. Should it be withdrawn or de-registered there is a thumping minimum 25 per cent tax payable as well as loss of the results. It is also conceivable that the government, in the not-too-distant future, may inaugurate a retirement income pension plan on a contributory basis to replace the present old age pension dole, and any R.R.S.P. plans then in effect will put the owners in a deferred position.

While the field for this new "registered retirement savings plan" is expected to develop fairly slowly, it is to be expected that the bright minds of the Trust and Insurance fields will explore every facet of the amendment and a number of additional new types of plans will be submitted in addition to those now offering.

Why Canada Voted Tory

CONTINUED FROM PAGE 7

the moment of voting they probably had something else in mind.

Also, of course, we have to consider that it would not have been "Time for a change" if the Liberal Government had acted differently during the last eighteen months or two years.

In fact, the time for a change theme is casual—the "time" was caused by a number of events. Some of these are marked by the attitude of the then government towards Old Age Pensions; by its attitude to parliament during the pipe line debate; by the concentration of power entrusted to Mr. Howe; by the way in which the Norman case was dealt with by Mr. Pearson. These are some of the events which caused the "Time for a change".

So we find that we cannot really buy the "Time for a change" theory, even though it comes through all our findings so strongly.

In seeking the fundamental items for the considerably larger Conservative vote,* one of the main sources was a national study of opinions undertaken and paid for by SATURDAY NIGHT. No less than twenty-four different items — or issues — were mentioned by Liberal and Conservative voters as the reasons for the big Conservative swing. Some of these group naturally into categories, but there were many more reasons than the generally accepted one — "Time for a change".

The major issues were old age pensions, the pipe line debate, and Suez. If we call the statements which mentioned "Time for a change" a number of ten, then in relative importance old age pensions would rate a 9.1, the pipe line debate an 8.7 and Suez 5.6, according to our survey. As we have said, however, these named items do not do proper justice to the issues.

The items which are included under old age pensions cover a number of policies of the old Liberal Government. The fact that there was a $6.00 increase voted is one of them. This is coupled with the Government policy on immigration of refugees (not those from Great Britain or Commonwealth countries). The per diem granted to these immigrants appeared to be hard to reconcile with the Government treatment of Canadian pensions. Another item hard to reconcile in the same way, by the man in the street, was the increased exemptions voted to Cabinet and other Members of the House. Another—all epitomized under the general policy which decided on only $6.00 increase for Old Age—was the "tight money" policy.

The second major grouping of issues is exemplified by the pipe line debate. Many people accepted the need for the pipe line — to deliver Alberta gas to Eastern Canada — but did not accept the idea that the money had to be voted quite so fast. The issue was really closure, or the limitation of debate by the majority party. It is out of this issue that grew the generalization of "government by administration" — the domination of the House by the Cabinet. The Liberal government may have been justified in the pipe line debate but the people saw it as a violation of democratic ideals — and related all other Cabinet decisions which were not voted upon — in the same light.

Thus we have other issues joining under the pipe line debate which are in somewhat the same context — the need for a stronger opposition, the concentration of power under Mr. Howe; Government by the Cabinet; and charges of arrogance and disrespect for the views of the people.

Last of the major issues is Suez — the attitude of the government towards Great Britain at that time. And in this issue we have the whole business of "being a satellite of the U.S.A."

The following is a tabulation of total returns in the national opinion study conducted on behalf of SATURDAY NIGHT.

The first question concerned voting patterns in 1953. While the results do not exactly fit the actual vote in that year they are close: Did you vote in the 1953 Federal election? If "yes" for which party?

	%
Liberal	45.1
Prog. Con.	38.3
Other parties	14.2
Did not vote	3.4
(Base 1050)	100.0

The next step was to determine the 1957 vote of these same people. Again we find the tabulation to be not exactly in the actual pattern — but since we were not trying to duplicate the vote this is not a matter of great importance in this case. Did you vote in the 1957 Federal election? If "yes" for which party?

	%
Liberal	30.2
Prog. Con.	47.3
Other parties	15.4
Did not vote	7.1
(Base 1110)	100.0

The next step is to see which way those who voted in 1953 voted in 1957. A person who voted in 1953 would have three alternatives in 1957 — to vote the same way; to vote for the other major Party; to vote for a minor Party — or not to vote at all.

Taking those who voted Conservative in 1953 first, we find that 91% voted Conservative in 1957, the other 9% either did not vote or voted for other Parties.

The Liberals (in 1953) showed a different pattern, only 71% voting for their Party in 1957. Of the 29% voting differently, most of the votes went to Conservatives.

Actually, we were most interested in the reactions of the group that voted Liberal in 1953 and Conservative in 1957. In our present study this was 129 persons or about 27% — slightly more than a quarter — of those in our sample who voted Liberal in 1953. These people would be expected to have particularly important reactions — from the point of view of our present purpose. The next procedure in the interview was to suggest three items to our respondents and enquire which of these contributed most towards the Conservative victory. This procedure is obviously biased, and the device was used deliberately. There was plenty of opportunity later in the interview for respondents to voice personal opinions.

The objective in forcing a choice in this instance was to find out which of these three factors drew the most attention. We knew that they had been campaign issues, and, therefore, wanted to determine how significant each was in a relative way.

The three issues mentioned were — Suez, the pipe line debate, and old age pensions. Total reaction to these was as follows:— Which of the following issues contributed mostly to the Liberal defeat:

	%
Suez	7.8
Pipe Line Debate	25.7
Old Age Pensions	29.9

These total to only 63.4% and we will mention the other 36.6% later. From the above we see that there is little to choose in importance between old age pensions and the pipe line debate — but that Suez comes a very certain third.

We have four major groups of people, however, and each reacts in a slightly different way to this question. The four groups are:—

a) those who voted Liberal in 1953 and 1957
b) those who voted Conservative in 1953 and 1957
c) those who voted Liberal in 1953 and Conservative in 1957
d) those who voted Conservative in 1953 and Liberal in 1957.

For our present purposes we may discard the last mentioned (d) group — the number is insignificant anyhow. For purposes of quick consolidation we may examine the group who voted Liberal in 1953 and Conservative in 1957.

	Total %	*Lib.-Cons.* %
Suez	7.8	5.1
Pipe Line	25.7	38.2
Old Age Pensions	29.9	26.7

So we see that the pipe line debate looms up as an item of some particular importance with this group. Suez becomes a minor issue and old age pensions, while

**1953 P.C. Vote 1,749,009 and in 1957 2,378,632, a gain of 630,000 or 28%.*

significant, take second place to the pipe line debate.

Further examination of the free-response part of the interviews — as tabulated for this Lib.-Cons. group — show very strong reaction not to the pipe line issue itself, but to the way it was handled in the House. There appears to be an acceptance of the loan to get the pipe line company "off the deck" — but closure and treatment of the Speaker are disapproved.

Going back to these last tables it has been noted that they are incomplete. This is because one other category was asked — but left open for the respondent to complete freely. The item most frequently mentioned was "Time for a change". In the total table this amounts to 36.6%, and in the Lib.-Cons. table the proportion is exactly 30%. Other items were mentioned but as these four were the most frequent the base (100%) has been built up around them. In all, some thirty different responses were recorded.

In considering the "Time for a change" issue we found it necessary to do some further digging.

The "Time for a change" issue is not a factor in itself. The following lists in order some of the more frequently mentioned items in connection with "Time for a change", all of which seem directly or indirectly related to the issue of the pipe line and domination of parliament.

"Arrogance" of Liberal leaders
"Dictatorial" attitude of Cabinet
Mr. Howe's attitude
Need more opposition
Government by Cabinet

There are other off-shoots of this kind of reply. Somewhat in retrospect, perhaps, is the matter of representation — the French or Quebec element being "too strong"; a "more Protestant Cabinet"; "another English-Canadian leader" and, "a stronger leader who can control the Cabinet".

The farmer too, felt that it was "Time for a change". The wheat situation, the cost of living, low prices for farm products, and lack of support for the farmer — all these were mentioned.

Turning now towards reactions in favor of the Liberal Party — a subject which is not the main objective of this study — there are two outstanding issues which ought to be mentioned as being important in an overall evaluation. The first of these is the general atmosphere of prosperity. Our respondents mention, in a general way, the conservation of natural wealth; the stability of the Canadian dollar.

The second outstanding factor — to the credit of the Liberal Party — is also very frequently mentioned — Mr. Pearson who was recognized by our sample as an outstanding Canadian in world affairs who has contributed much to the cause of world peace.

Lighter Side

by Donald R. Gordon

Srubluk to the Rescue

IT MAY BE strictly utilitarian like The Electric Light Fitting Association or as grandiose as the Consolidated World Research Society. It may advocate "Humanity, Now", or call itself the Council for Rest Break Houses for Nurses and Midwives.

There often is a rural flavor (Aberdeen Angus Cattle Society), a cultural overtone (Theatrical Ladies Guild) an athletic bias (British Amateur Weight Lifters' Association) or a religious fervor (Army Scripture Readers and Soldiers' Airmens' Christian Association Society).

Nature, too, is a popular object—from the Hawsley Society for the Protection of Animals and Birds in Italy to the Soil Association.

Whatever the name, there are few living Englishmen who don't belong to a club or society of some sort. Even the rugged individualist is sucked in, forced in self defence into groups like the Society of Individuals or The National League of Freedom.

Typical of the great majority of these organizations is one of the newcomers—The Society for the Reinvigoration of Unremunerative Branch Lines in the United Kingdom (SRUBLUK for short). Like most founders, the proponents of SRUBLUK had a mission and a feeling that grave injustice was being perpetrated. One April day in 1954, the first few enthusiasts met, agreed and organized. From that meeting came their statements of aims—"To oppose the closure and to prevent where possible the threatened closure of branch lines"—and the plan of action.

Now, when word comes of a beleaguered branch line, SRUBLUK members appear in force, armed with posters and pamphlets (warning "Beware of the Plan"), arranging meetings and rallying railway support.

Their score sheet so far: Saving of the Mildon Hall line near Cambridge, plans to operate a standard gauge line themselves. Their slogan: "Branch lines keep death off the road".

Occasionally, a society strays from the path of a mission. The secretary of the Ethical Union, when asked the purpose of his group, admitted difficulty. Was it political? "No, not exactly." Was there a religious motivation? "Not in the formal sense." Psychological perhaps? "Certainly not!" Philosophical? "Ah, yes you might say that. Yes, we meet and discuss things . . . . more along the lines of the philosophical side of religion . . . . people like Buddha, Mohammed, some of this Fabian business, too."

We agreed to leave it at that.

Then there's the Metropolitan Drinking Fountain and Cattle Trough Association. Their purpose is clear—"Drinking fountains for the people, cattle troughs for the animals." But officials there admit to a membership problem—"You see there isn't any *formal* membership. People send us money and we look after the drinking fountains. There isn't much demand for cattle troughs now, and such demand as there is can be met by transferring one out of use to the district requiring it. Ten troughs became redundant last year."

With organizations like The Interdenominational Purity Society, there is the difficulty of actually discussing the subject matter. The lady was very patient, but we never did get to the point.

Similarly, but for clearly different reasons, the description of the activities of the Greater Metropolitan Spiritualists' Association stopped abruptly when the medium learned the information was being gathered for SATURDAY NIGHT. We did learn that membership is not confined to this world.

The great majority of groups lead simple uncomplicated careers. Chief worry of the Hendon Football Club Supporters' Association is supporting Hendon. They solve it by buying tickets. The National Association of Operative Plasterers deals with wages, supplies and methods in this indispensable industry. Their general summary: Wages are always too low, materials always too expensive, methods continue admirable.

And so they continue. Meeting in attics, basements, halls and homes, dealing with topics as diverse as Foreigners in Distress and Golfing, numbering in the hundreds with membership in the millions. As one kind of critic noted, you can measure the crises in Britain by the number of groups that appear — The No Conscription League, The Mothers' Union, The League of Remembrance, The Howard League for Penal Reform.

We're watching now for the first meetings of The Petrol Users Protective Society and its sister organization, The League of Former Prime Ministers.

Editorials

The Queen and Canada

WHEN Queen Elizabeth visits Canada, will she again find herself lost in a forest of pasty official faces, hemmed in by stiff hats, shirts, dresses and flabby hands? Or will she finally get a chance to meet plain Mr. and Mrs. Canada?

She will not be staying here long, only for a few days. That means, of course, that officialdom will crowd all her waking hours. But the event should give both the Queen and her Canadian subjects an opportunity to do some serious thinking about the responsibilities not only of Canadians to the Queen but also of the Queen to Canadians.

The visits of Royalty are so rare that officialdom can scarcely be blamed for trying to hog the spotlight. Were the Queen to spend more time here, the less socially prominent but equally deserving citizens would get a chance to meet her, and she would learn that there is much more to this country than hand-shakers, canapes, long train rides and Niagara Falls.

The blunt fact is that the Queen should make fairly frequent visits to this country—not for a few reception-packed days but for long enough to become acquainted with her North American domain. She is the Queen of Canada as well as of the United Kingdom. Unfortunately, she is so seldom seen by Canadians that she is thought of all too often as the monarch of another country. It should not be so—but it is, and part of the blame must be accepted by the Queen and her advisers.

Sand in the Oil

PRESIDENT Eisenhower has requested U.S. oil companies to make a voluntary reduction in oil imports. That, of course, is the right of the President, and the business of Americans, not Canadians. But we hope that the circumstances of Mr. Eisenhower's appeal will be carefully studied, and its moral remembered, by Canadian politicians.

Oil is one of the vital raw materials of an industrial society. If the North American supply were cut off today, North American industry would begin to slow down tomorrow and would stop the day after. The U.S. supply is limited. The sooner it is used, the sooner will the U.S. be dependent on foreign sources. It is, therefore, a resource to be conserved as much as possible. One method of conservation is to use foreign oil now and save as much as possible of the domestic supply.

Moreover, the U.S. administration is fighting inflation. It is struggling against rising prices. If oil imports are cut, domestic producers will undoubtedly increase prices—and up will go the cost of everything that uses petroleum in its various forms. The result, obviously, will be even greater inflationary pressure.

Why, then, does Mr. Eisenhower call for a voluntary reduction in imports—a call that necessarily suggests that a reduction will be ordered if the request brings no action? Why does he propose a policy that so clearly is not in the nation's best interests? The answer is simple: the domestic oil producers have a powerful lobby.

The lesson for Canada is the constant need for vigilance against the misuse both of political power and natural resources.

Absorbing Immigrants

THE YOUNG Conservative Government has decided to reduce the number of immigrants to Canada during the remainder of the year. The decision is a wise one.

This journal has campaigned vigorously and persistently for a stronger immigration policy. We still believe that such a policy is necessary. At the same time, only the most stubborn theorist would try to deny that from time to time domestic conditions will require a temporary slowdown in immigration. Now is such a time.

From the standpoint of productivity, there is no doubt that Canada could continue to take an uninterrupted and even an increased flow of immigrants. But integration of newcomers from other than English-speaking countries is another matter.

Anyone who has travelled about this country during the past couple of months (and particularly in Ontario, which has taken more than half of the 1.5 million immigrants who have arrived since the war) would be both deaf and blind not to notice the less hospitable attitude of Canadians towards the newcomers. It is obvious wherever crowds of people gather—on trains, in buses, at sports events, at shopping centres. It is especially apparent in Toronto, which has attracted more European-born immigrants than any other community in Canada. In Toronto and the industrial cities of southern Ontario, resentment is building up with grim force.

It is clear at this time that while the country itself can readily absorb many more immigrants, the people cannot. This is regrettable, but it must be faced. Given a few months for adjustment, the situation will undoubtedly improve. The hostility will again die down. That will be the time for another surge.

Canada needs the immigrants, certainly. But Canadians are no more far-sighted and tolerant than the people of any other country. They look askance at strange ways and are suspicious of strange tongues, when the talk and the conduct are thrust upon them. Preaching seems to make little headway against intolerance. Only time provides a remedy.

ANSWER TO PUZZLER

22¢ (day No. 6259)

This is Sport?

MILLIONS of people the other Monday night watched the so-called heavyweight boxing champion of the world give a first-class beating to a stumblebum known as The Hurricane and The Beast. It was a brutal exhibition that should have been stopped in the first round instead of the tenth.

A more pertinent question than the one concerning the round in which the fight should have been stopped is, of course, why such a fight was staged in the first place. Still more to the point, why are professional boxing matches still permitted?

Fighting for money has never been a sport. It has always been a contest staged for the morbid satisfaction of a sadistic crowd. When the contestants do not try to hammer each other into bloody unconsciousness, the crowd boos. When faces are torn, bodies battered into bruised, purple flesh, the crowd roars its brutal satisfaction. The fighters themselves are the puppets of men who, more often than not, are callous exploiters if not outright criminals; there are exceptions, but they are pitifully rare.

A society that pays good money for such "entertainment" cannot consider itself to be civilized.

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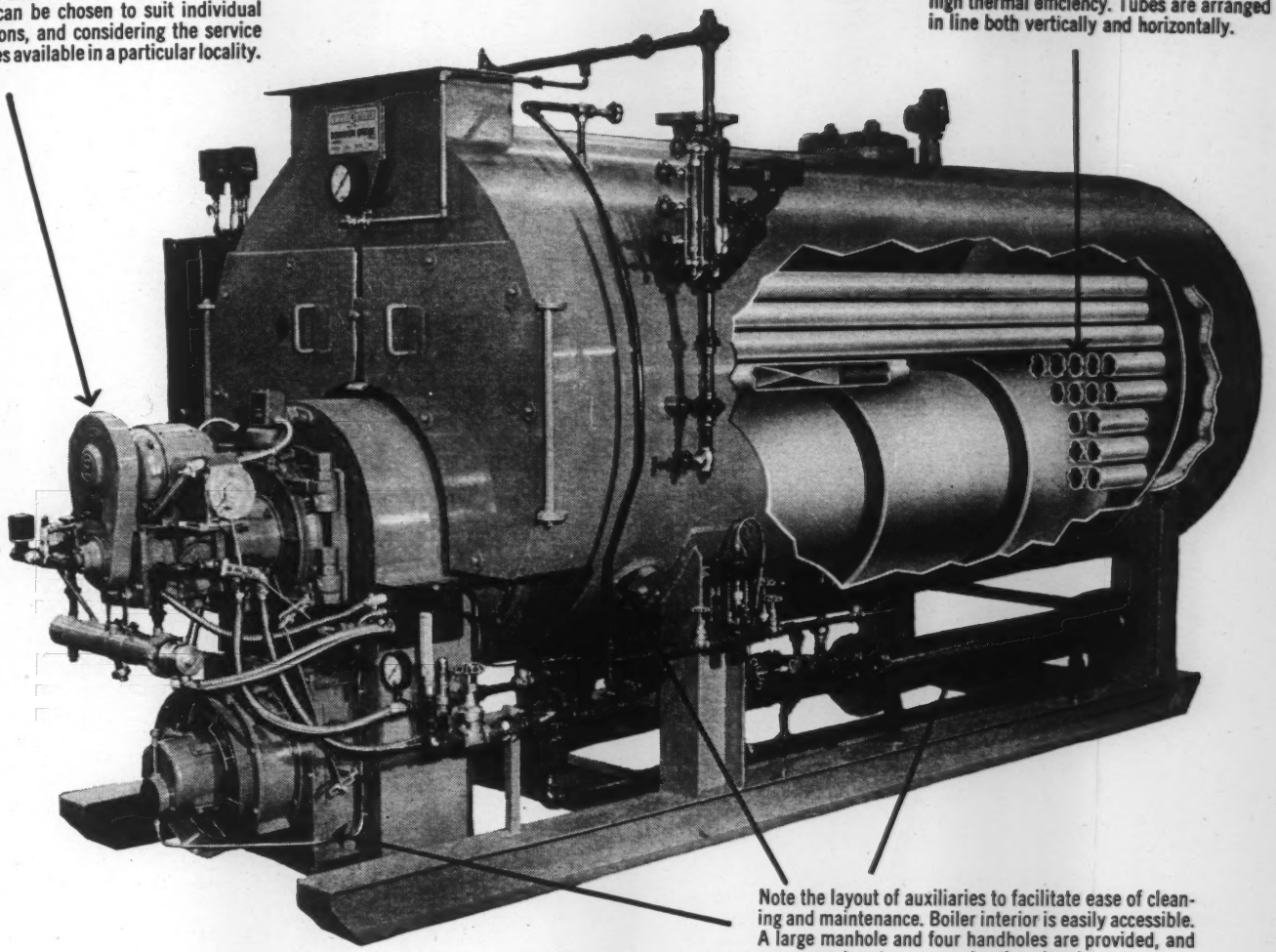

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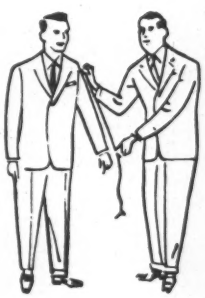

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